



Daily Report

China

FBIS-CHI-94-196
Tuesday
11 October 1994

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11 October 1994

NOTICE TO READERS: Effective 1 October, the processing indicators appearing in brackets at the start of each item in this publication will be changed. All new indicators will begin with "FBIS" to make the material more easily identifiable. Some will also indicate whether the item has been translated from the vernacular or transcribed from English.

An * indicates material not disseminated in electronic form.

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General

Envoy Seeks Early GATT Status Restoration

OW0810001094 Beijing XINHUA in English 2357
GMT 7 Oct 94

[FBIS Transcribed Text] United Nations, October 7 (XINHUA)—The restoration of China's status in GATT reflects both China's own need and that of the world, a Chinese representative told the UN Economic and Financial Committee today.

Speaking in the committee's general debate opening today, Wang Xuexian said, "Without China's participation, World Trade Organization (WTO) lacks universality and the multilateral trade system is incomplete."

The restoration of China's contracting party status has received support from most contracting parties, he said. He hoped that some contracting parties will adopt a practical attitude towards the issue and "show political will and bear in mind the interest of their own as well as other countries in the world in seeking an early solution to this question."

He said that China has all along worked for the consolidation of the multilateral trade system and, through eight years of reform, its current foreign trade system is basically up to GATT's standards.

On WTO to be found next year, Wang expressed his country's hope that from the outset it should be a broadly representative and open trade institution based on equality and mutual benefit.

Wang added that the international community should firmly oppose the tendencies and practices of departing from and undermining the multilateral free trade system, including unilateralism and "green" trade protectionism.

Foreign Ministry Spokesman on Persian Gulf Situation

OW1010094694 Beijing XINHUA Domestic Service in Chinese 0856 GMT 10 Oct 94

[FBIS Translated Text] Beijing, 10 Oct (XINHUA)—Chen Jian, spokesman for the Ministry of Foreign Affairs, today answered a reporter's question in connection with the situation in the [Persian] Gulf area.

A reporter asked: Iraq recently issued a strongly-worded statement in connection with the United Nations' sanctions against Iraq, and Iraq is deploying its troops along the Iraq-Kuwait border areas. Tension has again reappeared in the Gulf area. What is your comment?

Chen Jian said: "We are closely watching the development of the situation. China always stands for settling as quickly as possible the problems left over by the Gulf crisis on the basis of implementing the relevant resolutions of the UN Security Council so that the situation in that area can be stabilized as soon as possible, and so that

a good external environment for peace and development can be created for the countries and peoples in that part of the world. To this end, we hope Iraq will continue to cooperate with the United Nations and carry out all the relevant resolutions made of the UN Security Council. We also hope relevant parties will not take any steps that will exacerbate the tension in the Gulf area."

XINHUA English Version

OW1010105694 Beijing XINHUA in English 1033
GMT 10 Oct 94

[FBIS Transcribed Text] Beijing, October 10 (XINHUA)—China today called on Iraq to continue to cooperate with the United Nations and implement all the relevant Security Council resolutions and also called on the parties concerned to refrain from taking any steps which may increase tensions in the [Persian] Gulf region.

When asked to comment on Iraq's recent strongly-worded statement on the question of UN sanctions against it and Iraqi troops' moving towards the Iraqi-Kuwaiti border, leading to renewed tension in the Gulf region, the Chinese Foreign Ministry Spokesman Chen Jian said: "We are following the developments with concern."

"China always maintains that the remaining problems of the Gulf crisis should be solved as soon as possible on the basis of a comprehensive implementation of the relevant Security Council resolutions, so as to bring an early stability and create a good external environment of peace and development for countries and peoples in this region," he said.

"Therefore", he said, "we hope that Iraq will continue to cooperate with the United Nations and implement all the relevant Security Council resolutions, and that the parties concerned refrain from taking any steps which may increase tensions in the Gulf region."

XINHUA Reportage on Gulf Crisis Developments

UN Envoy Interviewed

OW0710012994 Beijing XINHUA in English 1916
GMT 6 Oct 94

[FBIS Transcribed Text] Baghdad, October 6 (XINHUA)—A senior United Nations envoy today ended a new round of high-level talks with Iraqi officials on monitoring Iraq's UN-banned weapons of mass destruction amid increasing criticisms from the Iraqi media.

Rolf Ekeus, executive chairman of the UN Special Commission on Iraqi Weapons Issues (UNSCOM), told XINHUA before his departure for New York via Bahrain that he will present two reports to the UN Security Council next Monday [10 October] and Tuesday on the weapons issues.

But he refused to reveal the contents of the reports and his three-day talks with Iraqi Foreign Minister

Muhammad Sa'id al-Sahhaf, director of the Military Industry Commission General Amir Muhammad Rashid and other senior officials.

Ekeus also declined to address a press conference, the first time since the UNSCOM and Iraq resumed their high-level contacts in July last year.

"I will report to the members of the Security Council about the development over the past six months and the present round of talks," Ekeus said.

He described as "very promising" the newly-established UNSCOM monitoring center in a hotel on the outskirts of Baghdad, but said only part of the center is working due to the delay by Iraqi workers to fit up the rooms.

Ekeus had expected the monitoring center, which can keep a round-the-clock remote watch on some 150 weapons related sites across the country, to be in full operation by the end of September.

He also refused to set a definite testing period for the monitoring system although he had suggested six months before he would present a favorable report to the Security Council for lifting the UN economic sanctions imposed on Iraq to punish its 1990 invasion of Kuwait.

"Test is test," Ekeus said. "But the testing period is a political issue up to the Security Council. Most important is how the Iraqis will work with the system."

Meanwhile, Iraqi media has put the blame on Ekeus for the continued UN sanctions, saying he is controlled by the United States and holding him responsible for the increasing number of deaths of Iraqi children and old people as a result of the sanctions.

In an interview by the IRAQI NEWS AGENCY, Iraqi Minister of Information and Culture Hamid Yusuf Hammadi demanded that the UN sanctions be lifted at the same time as the long-term arms monitoring program starts.

"The report by the UNSCOM ushering in the long-term monitoring phase must go hand-in-glove with a timetable to lift the sanctions," Hammadi said.

He argued that Iraq has met all its obligations as provided in UN Resolution 687, which ended the 1991 Gulf war, and the Security Council is bound to meet its duties toward Iraq by immediately lifting the sanctions under para 22 of the said resolution.

The Iraqi minister warned that keeping the sanctions in place would leave Iraq with no option but to resort to other means in dealing with the Security Council.

"If the United States and some powers in the council insist on pursuing this hostile approach," he said, "Iraq will then have to reconsider its position toward the head of the UN Special Commission Rolf Ekeus."

Ekeus held that the act of criticizing him was "a very serious mistake and tragedy," saying that these articles

would destroy the credibility between the UNSCOM and Baghdad and make the lifting of the sanctions more distant.

"I don't know why they did that," he said. "That's unwise."

In another development, Iraqi Deputy Prime Minister Tariq 'Aziz, who was expected to address the UN General Assembly Friday, was lobbying hard in New York at the Security Council for the lift of the embargo.

The Security Council has the right to decide how long the testing period of the monitoring system will take before it makes a favorable answer to Iraq's demand for resuming trade with the outside world.

Under relevant UN resolutions, Iraq's weapons of mass destruction should be totally destroyed and all military industries monitored indefinitely.

Encouraged by the UNSCOM's earlier statements that Iraq's UN-banned chemical, biological and nuclear weapons and long-range missiles have been almost destroyed, Iraq demands an immediate lifting of the UN economic sanctions.

However, the United States and Britain have repeatedly rejected Iraq's demand though other Security Council members, Russia, France and China, advocate recognizing Iraq's progress in implementing the UN resolutions.

State Department Warns Iraq

OW710233694 Beijing XINHUA in English 2157
GMT 7 Oct 94

[FBIS Transcribed Text] Washington, October 7 (XINHUA)—The U.S. State Department said today that Iraq will bear full responsibility of provocative military acts on Kuwait and that the United States is prepared to respond to any Iraqi act of aggression.

"Current Iraqi troops movements and the Oct. 6 statement by Iraq's Revolutionary Command must not be allowed to intimidate the United Nations Security Council and Iraq's neighbors," department spokesman Michael McCurry said in a press release.

Iraq threatened Thursday [6 October] to adopt a "new position" if the United Nations failed to ease or lift the sanctions imposed on Iraq — since Iraq invaded Kuwait in August 1990.

Iraqi troops began moving toward the border with Kuwait yesterday, and U.S. Defense Secretary William Perry said the movements are not routine and cause U.S. concern.

An Iraqi brigade was nearing the Kuwaiti border and units of the Republican Guard were moving south near Kuwait and Basra, according to a statement issued by the Iraqi National Congress.

"Iraq's threats to cease cooperation with the UN Special Commission (UNSCOM), and hints of use of force in the event sanctions against Iraq are not promptly lifted, underscore the importance of the Security Council's being assured of Iraq's peaceful intentions before considering modifications to the sanctions," McCurry said.

In order to lift the sanctions against it, Iraq must comply with all UN Security Council resolutions, he stressed.

The spokesman warned that "Iraq will bear full responsibility for the consequences of interference with UNSCOM's vital mission or of provocative military acts."

Clinton Takes 'Precautionary Steps'

*OW0810115394 Beijing XINHUA in English 1117
GMT 8 Oct 94*

[FBIS Transcribed Text] Washington, October 7 (XINHUA)—U.S. President Bill Clinton said here today the United States has taken Iraqi troop movements seriously and responded with necessary precautionary steps.

Iraqi leader Saddam Husayn reportedly mobilized elite Iraqi troops along the border with Kuwait.

"We will watch it very closely, we will report more as events unfold," Clinton told reporters at a White House news conference.

He also said that "I would encourage you not to inflame this situation beyond the facts." The United States would take actions based on the facts, Clinton added.

It was reported that Kuwaiti leaders met in an emergency session 20y to discuss the situation and called up some army reservists "in response to the call of duty."

The KUWAIT NEWS AGENCY (KUNA) quoted Foreign Minister Shaykh Sabah al-Ahmad al-Jabir al-Sabah as instructing cabinet members to take all precautionary measures on different military and civilian levels.

KUNA also said the ambassadors of the five permanent Security Council members in Kuwait were summoned to the Foreign Ministry to discuss the seriousness of the situation.

Clinton discussed the situation with Defense Secretary William Perry and chairman of the U.S. Joint Chiefs of Staff John Shalikashvili.

The president warned that Iraq "should not be misled into thinking they can repeat the mistakes of the past."

Clinton Warns Iraq

*OW0910000194 Beijing XINHUA in English 2134
GMT 8 Oct 94*

[FBIS Transcribed Text] Washington, October 8 (XINHUA)—U.S. President Bill Clinton Saturday [8

October] renewed his warning to Iraqi President Saddam Husayn not to commit the "grave error" of repeating the mistakes of the past.

"I want to make it clear one more time, it would be a grave error for Iraq to repeat their mistakes of the past, or to misjudge either American will or American power."

He made the brief statement on the situation in Iraq as he boarded his helicopter on the way to the Camp David presidential retreat to spend the weekend.

He said he had been briefed by his National Security Adviser Anthony Lake and "We have discussed the measures I have ordered to deal with the situation."

Although U.S. officials reported Iraqi troop movements toward the border with Kuwait appeared to have stopped for the time being, U.S. buildup of military forces in the Gulf region proceeded as ordered by Clinton. Defense officials said that the aircraft carrier George Washington was heading southward through the Mediterranean and should transit the Suez Canal and enter the Red Sea early in the week.

White House Chief of Staff Leon Panetta, interviewed on CNN's "Newsmaker Saturday" said that the message to Saddam was the same as it was in 1991: "Do not underestimate our resolve to confront any kind of aggressive action in that region of the world."

He also said, "We are not sure at this point what the implications are. For that reason, we just think it's better to approach the situation calmly."

Secretary of State Warren Christopher, departing for the Middle East Saturday, is scheduled to stop in Kuwait on Wednesday to discuss the situation.

Clinton Meets With Advisers

*OW1010014194 Beijing XINHUA in English 0117
GMT 10 Oct 94*

[FBIS Transcribed Text] Washington, October 9 (XINHUA)—U.S. President Bill Clinton discussed the situation in the Gulf region with his top national security advisers at the White House this afternoon.

After the 90-minute meeting, National Security Advisor Tony Lake told reporters that Clinton was briefed about the Defense Department's plans for the coming days and week.

Clinton was told that close to one division of Iraqi soldiers were poised within two kilometers of demilitarized zone separating Iraq from Kuwait.

The President interrupted a holiday weekend at Camp David and came back to Washington this afternoon for the meeting.

Earlier today, Defense Secretary William Perry said that the U.S. was moving a formidable military force to the

Persian Gulf in response to a buildup of Iraqi troops along the border with Kuwait.

Perry told reporters that "We have Marines on alert to go at an appropriate time. We have deployed many squadrons of tactical aircrafts—F-15s, F-16s, A-10s, AWACS [airborne warning and control system]."

Over the next several days, U.S. Administration officials, said about 180 U.S. warplanes and support aircraft will be in position around Kuwait.

Meanwhile, 18,000 U.S. Marines in the United States were put on alert for possible deployments to the Gulf region and the first of 4,000 Marines from Fort Stewart, Georgia, began boarding planes for the region today.

"We are not going to allow the mistakes of the past to be repeated," a White House official said, referring to the invasion of Kuwait by Iraq in 1990.

The official said the Iraqi leaders "shouldn't underestimate the resolve or the will of the U.S."

Perry warned that "If the Iraqis enter Kuwait, they will be soundly defeated."

Troops 'Too Close For Comfort'

OW0910032294 Beijing XINHUA in English 1750
GMT 8 Oct 94

[FBIS Transcribed Text] Washington, October 8 (XINHUA)—U.S. Defense Secretary William Perry said Saturday [8 October] that Iraqi troops positioned near the border with Kuwait were "too close for comfort" and that the United States must take precautionary measures.

Perry made the comment on the Iraqi situation while touring Haiti, reports from Port-au-Prince said.

He said that while many had speculated the Iraqi troop movement near the Kuwait border might be a bluff by Saddam Husayn attempting to intimidate neighbors or pressuring the United Nations to lift sanctions, the United States "cannot afford to assume that this is a bluff."

"We have to look at the facts on the ground," and the movement of an estimated 60,000 or more troops leaves the United States and the United Nations no choice but to react.

The Iraqi units are "already in position and are too close for comfort," he said. "These are mechanized units and so they are less than an hour into Kuwait—so from that point of view they are too close for us to take this action lightly."

He told reporters that the United States had begun "a repositioning and redeployment" of some of its forces. In addition to "substantial military forces" already in that area, the Pentagon has redeployed a number of ships including an aircraft carrier from the Mediterranean and

put on alert a number of units in the United States that can be moved into Kuwait in a matter of a very few days. "We are deploying some air units to that area as well," Perry said.

U.S. To Deploy Troops

OW1110063994 Beijing XINHUA in English 0503
GMT 11 Oct 94

[FBIS Transcribed Text] Washington, October 10 (XINHUA)—U.S. President Bill Clinton said here today the United States will continue to deploy its military forces in the Persian Gulf despite Iraq's announcement it was pulling its troops back from the border with Kuwait.

In a televised national address from the Oval Office, Clinton said, "We will not allow Saddam Husayn to defy the will of the United States and the international community."

"I have ordered the additional deployment of more than 350 Air Force aircraft to the region," Clinton said.

That deployment includes B-52 bombers and top-of-line fighter jets, according to a senior Pentagon official.

Clinton doubted that Iraq's announcement of withdrawing its troops from the Kuwaiti border was serious.

He said, "We are interested in facts, not promises, in deeds, not words and we have not yet seen evidence that Iraq's troops are pulling back."

Clinton also said that the UN sanction on Iraq will be maintained until Iraq complies with all relevant UN resolutions.

Earlier today, Clinton convened his national security and military advisers at the White House to review the situation in the Gulf region.

On Haiti, Clinton announced that exiled Haitian President Jean-Bertrand Aristide will return to power on Saturday [15 October].

But he said, "The job in Haiti remains difficult and dangerous."

"We still have a lot of work ahead of us. But our troops are keeping America's commitment to restore democracy," he added.

To Increase Forces to 54,000

OW1010054094 Beijing XINHUA in English 04:1
GMT 10 Oct 94

[FBIS Transcribed Text] Washington, October 9 (XINHUA)—The United States has decided to increase its troops in the Gulf region to approximately 54,000 with 15,000 others on alert, a senior Pentagon official said here today.

In addition to 18,000 U.S. Marines from Camp Pendleton, California, who will be sent to the Gulf, the official

said, 12,000 troops of the Army's 24th Infantry Division from Fort Stewart, Georgia, will also be dispatched there.

Some 4,000 U.S. Marines began flying from Georgia to Kuwait today and 2,000 Marines arrived in the northern Persian Gulf over the weekend.

Some 6,000 Navy men and women were slated to enter the Red Sea on board the USS George Washington and its battle group.

As of Friday, there have already been about 12,000 American troops in the Gulf region.

At the same time, the official said, an additional 15,000 troops in the United States will be put on alert, bringing to 69,000 the total number of U.S. troops now in some stage of involvement in the Gulf.

U.S. President Bill Clinton discussed the situation in the Gulf region with his top national security advisers at the White House this afternoon.

After the 90-minute meeting, National Security Advisor Tony Lake told reporters that Clinton was briefed on the Defense Department's plans for the coming days and week.

Clinton was told that close to one division of Iraqi soldiers were poised within two kilometers of demilitarized zone separating Iraq from Kuwait.

The President interrupted a holiday weekend at Camp David and came back to Washington this afternoon for the meeting.

Earlier today, Defense Secretary William Perry said that the United States was moving "a formidable military force" to the Persian Gulf in response to a buildup of Iraqi troops along the border with Kuwait.

Perry told reporters that "We have Marines on alert to go at an appropriate time. We have deployed many squadrons of tactical aircraft—F-15s, F-16s, A-10s, AWACS [airborne warning and control system]."

Over the next several days, U.S. Administration officials said, about 180 U.S. warplanes and support aircraft will be in position around Kuwait.

"We are not going to allow the mistakes of the past to be repeated," a White House official said, referring to the invasion of Kuwait by Iraq in 1990.

The official said the Iraqi leaders "shouldn't underestimate the resolve or the will of the U.S."

Perry warned that "If the Iraqis enter Kuwait, they will be soundly defeated."

Yeltsin, Clinton Discuss Situation

OW1110031494 Beijing XINHUA in English 0216
GMT 11 Oct 94

[FBIS Transcribed Text] Moscow, October 10 (XINHUA)—U.S. President Bill Clinton today discussed the

Gulf situation with Russian President Boris Yeltsin in a telephone conversation, the INTERFAX NEWS SERVICE said.

During the conversation, Yeltsin told Clinton that "Russia is taking active diplomatic steps to reduce tensions in the area of the Iraqi-Kuwaiti border."

The Russian president said that the conflict can still be solved by political means and hoped that Russia's diplomatic efforts will be supported by the United States.

Clinton assured Yeltsin that the measures being taken by the U.S. in the Gulf area are designed to defend Kuwait from possible aggression.

According to reports reaching here, the Iraqi authorities last week moved troops to the Iraqi-Kuwaiti border and took political demarches aimed to press the United Nations Security Council for a lifting of sanctions against the country.

Meanwhile, Washington has put on the alert its troops stationed in the Gulf area. This morning the Russian Foreign Ministry once again urged Iraq to show restraint and stop moving troops to the border region.

U.S. Contacts Turkey

OW0910001794 Beijing XINHUA in English 2004
GMT 8 Oct 94

[FBIS Transcribed Text] Ankara, October 8 (XINHUA)—Turkey and the United States have been in direct contact over the latest developments on the Iraqi-Kuwaiti border where Iraq has massed troops, said diplomatic and government sources here today.

Diplomatic sources said the contacts between Ankara and Washington have been going on for the past two days. The U.S. has received information through Turkey's embassy in Barming that Iraq has moved troops and ammunition to its border with Kuwait.

The sources said Iraq has shifted more than 10,000 troops, 250 tanks and heavy artillery to its border with Kuwait and its military communications have been reactivated at war footing.

It is reported that Ankara and Washington agreed that Iraq, with its troop movement, may be trying to throw a smoke screen before the UN weapons monitors start their investigations in Iraq.

"If this is so, Iraq may think we will give out a sign of relief when he does not attack Kuwait with his troops sent to the border and then we would be less energetic about arms monitoring," said a senior diplomat on condition of anonymity.

Meanwhile, the U.S. military base in Turkey's southern township of Incirlik maintained its routine operations Saturday [8 October]. Sources in Incirlik reported no

emergency activities there. Base officials told reporters that all reconnaissance flights from the base were scheduled ones.

To counter the Iraqi buildup of troops near Kuwait, U.S. President Bill Clinton has ordered the aircraft carrier USS George Washington to steam toward the Gulf region, reports said quoting U.S. Pentagon officials.

The aircraft carrier was traveling to the Red Sea from the Adriatic, and was expected to arrive by Sunday night. Also dispatched toward the Gulf were warships normally based at the Indian Ocean Island of Diego Garcia.

A four-ship amphibious assault group carrying 2,000 U.S. Marines was sent from the southern Persian Gulf north toward Kuwait.

The British Defense Ministry also announced it was sending an extra frigate to patrol off Kuwait.

Western Powers Prepare Defense

OW1010001494 Beijing XINHUA in English 1910
GMT 9 Oct 94

[FBIS Transcribed Text] London, October 9 (XINHUA)—The Western powers, in particular the United States, are busy at military deployment in the Gulf region today to stop Iraq's possible invasion of Kuwait.

U.S. Secretary of State Warren Christopher said Iraq, which massed 60,000 troops near Kuwait, would pay a "horrendous price" if it invaded Kuwait for a second time.

Christopher said in Israel that President Saddam Husayn of Iraq would be foolish to launch another attack on the Kuwait.

Meanwhile, the head of the Arab League, Esmat Abdel Meguid said Iraq's massing of troops would not help bring about an easing of UN embargo imposed after Iraq invaded Kuwait in August 1990.

U.S. Defense Secretary William Perry said in Washington the U.S. was sending "many squadrons" of F-15, F-16 and other warplanes to the Gulf region in response to the Iraqi build-up.

The U.S. already has F-15 fighters based in Saudi Arabia and Turkey along with six British Tornado fighter-bombers and nine French Mirage 2000s in Saudi Arabia.

Four U.S. Navy ships carrying 2000 Marines have arrived in the northern Gulf and 4000 more troops are flying from Georgia of U.S. into Kuwait.

British frigate HMS Cornwall steamed into Kuwaiti waters today to join the U.S. Leyte Gulf Cruiser and Lewitt Destroyer, both of which are carrying cruise missiles.

The U.S. aircraft carrier USS George Washington with more than 50 war planes is sailing towards Red Sea from the Adriatic.

UK Warship Arrives Off Kuwait

OW1010110594 Beijing XINHUA in English 0956
GMT 10 Oct 94

[FBIS Transcribed Text] London, October 9 (XINHUA)—British frigate HMS Cornwall arrived today in Kuwaiti waters about four kilometers off Kuwait City and missiles on board were loaded ready for action, British newspaper THE TIMES reported

The paper quoted the warship's captain, Lieutenant Wendy Blackaller, as saying "we have live missiles. Launchers are ready and everything is loaded, and we are five minutes from action status."

He added, "we are taking the situation very seriously, we are prepared for everything."

The frigate sailed to Kuwait from the southern Gulf following a request from the Kuwaiti Government.

It is equipped with harpoon anti-ship missiles, sea-wolf anti-aircraft and anti-missile missiles and a helicopter armed with anti-ship missiles. It is also equipped with sting-ray torpedoes.

'Roundup' Views Reaction

OW0810070694 Beijing XINHUA in English 0607
GMT 8 Oct 94

[“Roundup” by Zhang Tao: “Iraqi Threat to Kuwait Agitates World”]

[FBIS Transcribed Text] Beijing, October 8 (XINHUA)—The world is watching closely the developments in the situation in the Gulf, with the United States and Britain threatening to send troops there after it was claimed that Iraq was massing forces on its southern border with Kuwait.

U.S. Defense Secretary William Perry said on Friday [7 October] that the U.S. had confirmed that Saddam Husayn, the Iraqi leader, was moving troops towards the border separating Iraq and Kuwait.

According to the state-run Iraqi news agency, however, a government spokesman has said there have been no military movements and Iraq has no intention of invading its neighbor. A previous invasion of Kuwait by Iraq ignited the 1991 Gulf war.

According to sources in Kuwait, two Iraqi military divisions are advancing towards the border.

President Bill Clinton has put U.S. troops on alert and ordered an aircraft carrier to the Red Sea for possible duty in Kuwait. And the U.S. State Department, which has accused Iraq of threatening Kuwait through its military actions, says it is ready to respond to any aggression from Iraq.

Britain is also reported to be sending a warship to the Gulf as a warning.

In a joint statement issued in London, British Foreign Secretary Douglas Hurd and Defence Secretary Malcolm Rifkind said, "If Iraq believes that its threatening behavior will achieve anything, then it is making a serious error of judgement."

The statement was issued after Kuwait sent a formal request to Britain for assistance under a bilateral defense agreement.

The French Foreign Ministry said Paris is closely watching developments on the Kuwait-Iraq border. The French Ambassador to the United Nations Jean-Bernard Merimee said during a meeting with Iraq's Deputy Prime Minister Tariq Aziz that Iraq should abide by the relevant UN resolution concerning Kuwait's sovereignty.

It is reported that the Kuwaiti cabinet on Friday held an urgent meeting to discuss the serious situation on the country's border. But there have been no signs of panic in the country at the worrying news.

The emirate's military command has ordered two battalions of army reservists to report for duty by Sunday.

UN Secretary-General Boutros Boutros-Ghali said on Friday that he was closely monitoring the situation in Iraq, and the security council held consultations on the reports of troop movements near the Kuwaiti border.

But UN troops and observers on the Kuwait-Iraq border have reported that the situation has remained calm and no Iraqi soldiers have been seen.

Other Middle East countries, including Israel, Saudi Arabia and Egypt, have also expressed their concern over the recent developments in the area.

Saudi Arabia and Egypt have called for the maintenance of the security and stability of Kuwait.

UNSC 'Gravely Concerned'

OW0910032394 Beijing XINHUA in English 1814
GMT 8 Oct 94

[FBIS Transcribed Text] United Nations, October 8 (XINHUA)—The UN Security Council [UNSC] is gravely concerned over a threatening statement of Iraq to stop cooperation with UN and reports that Iraq is moving troops towards Iraq-Kuwait borders, a presidential statement said today.

The statement, which was read out by Council President David Hannay of Britain, said the council noted with grave concern the statement issued on 6 October 1994 by the Revolutionary Command Council of Iraq.

It underlined the complete unacceptability of the implication therein that Iraq may withdraw cooperation from the United Nations special commission.

"The Security Council emphasizes the necessity of full implementation of all its relevant resolution, including

full cooperation by Iraq, without interference, with the United Nations special commission's vital mission," the statement said.

The statement also said the council had received with grave concern reports that substantial numbers of Iraqi troops, including units of the Iraqi Republican Guard, were being redeployed in the direction of the border with Kuwait.

The council requests Secretary-General Boutros Boutros-Ghali to ensure that the United Nations Iraq-Kuwait observation mission (UNIKOM) redoubles its vigilance and reports immediately any violation of the demilitarized zone established under Resolution 687 or any potentially hostile act.

The Security Council reaffirmed its commitment to the sovereignty and territorial integrity of Kuwait.

"It underlines Iraq's full responsibility to accept all the obligations contained in all its relevant resolutions and to comply fully therewith," the statement said.

Iraq, in the 6 October statement, said that if the UN did not lift the sanction imposed on it since the Gulf war, it would stop cooperation with the UN special commission, which was in charge of destroying Iraq's fatal destructive weapons.

According to a U.S. official briefing to the Security Council yesterday, Iraq is moving two divisions to Iraq-Kuwait borders.

UN Concerned Over Troop Movements

OW0810035694 Beijing XINHUA in English 0333
GMT 8 Oct 94

[FBIS Transcribed Text] United Nations, October 7 (XINHUA)—Security Council president David Hannay said today he was summoning Iraq's UN envoy on Baghdad's troop movements as well as its threats to stop cooperating with UN arms officials.

"The troop movements are a cause of great concern," Hannay said.

He spoke after council consultations in which U.S. Ambassador Madeleine Albright briefed the 15-member body on American intelligence reports.

Hannay said that the council would meet Saturday [8 October] to consider the new development.

He said that the council was also concerned about recent statements from Iraq's Revolutionary Command Council threatening to cut off cooperation with UN weapons inspectors until the council moved toward lifting sanctions.

In her briefing, Albright said two Iraqi Republican Guards divisions were moving south, probably to Kuwait border and should be in position within a week.

but would require some time to prepare themselves if they were going to be combat ready, a U.S. official quoted her as saying.

Earlier in the day, Iraqi Deputy Prime Minister Tariq 'Aziz urged the international community to examine the iniquitous sanction imposed on Iraq since 1990 while addressing the 49th UN General Assembly.

His remarks prompted the U.S. Ambassador Madeleine K. Albright to make a counterattack.

"Let it be absolutely clear to the Iraqi Government that a repetition of its past mistakes will be met by my government with the same resolve as before," Albright told the General Assembly.

Meanwhile, the UN secretary-general is reported to keep a close watch on the Iraqi situation.

UK Concerned About Troops

OW0810000494 Beijing XINHUA in English 2057
GMT 7 Oct 94

[FBIS Transcribed Text] London, October 7 (XINHUA)—Britain said Friday [7 October] that it was closely watching the situation on the Iraqi-Kuwaiti border following the Iraqi troop movements.

"We can confirm troop movements in southern Iraq," a Foreign Office spokesman said, "We understand that the U.S. has called for a formal (UN) Security Council meeting later today."

"We have noted statements hostile to the United Nations and Kuwait emanating from Baghdad in the last couple of days," the spokesman said.

In a joint statement by the Foreign Office and Ministry of Defense, Britain said it was sending a naval frigate to the waters off Kuwait in response to the Iraqi troop movements.

The statement said Kuwait had made a formal request to Britain for assistance under a bilateral defense agreement.

"In response, HMS Cornwall will set sail for Kuwait early tomorrow (Saturday), and will arrive off Kuwait on Sunday morning. HMS Cornwall is in the Gulf as part of the Royal Navy's Armilla patrol," the statement said.

Moscow Calls For Calm

OW0910040394 Beijing XINHUA in English 0143
GMT 9 Oct 94

[FBIS Transcribed Text] Moscow, October 8 (XINHUA)—The Russian Government today stressed "the urgent need" to stop the growing tension in the gulf region.

In a statement issued here, the Russian Foreign Ministry said the Iraqi authorities are amassing troops along the

border with Kuwait and taking political measures aimed at pressing the UN Security Council to lift sanctions against their country.

On the other hand, the U.S. Government has put on the alert its troops stationed in the Gulf and ordered an aircraft carrier to the region, the ministry added.

It said "Moscow is sure that these developments must be stopped on the eve of discussion of the Iraqi problem at a UN Security Council meeting scheduled for October 10," which is expected to decide on long-term monitoring of Iraqi military programs.

Everything should be done to restore a normal atmosphere for the constructive work of the Security Council, said the ministry, adding that any ultimatums to the council are unacceptable.

According to the statement, the council will be determined enough to ensure the fulfillment of "Iraqi" resolutions, especially of those concerning the need to recognize the sovereignty and independence of Kuwait and its borders.

Meanwhile, the Russian Defense Ministry's Press Office refused to disclose measures it had taken in connection with the increased tension on the Iraqi-Kuwaiti border.

Russia and Kuwait signed an agreement on military cooperation in Moscow in December 1993. The first Russian-Kuwaiti naval exercise was held in the same month in the Gulf in accordance with the accord.

Similar agreements have been signed by Kuwait with the United States, Britain and France.

Media reports said the United States and Britain have been reinforcing their troops in the Gulf in response to the alleged Iraqi troops movement to the Kuwaiti border.

Germany 'Formerly' Seeks Withdrawal

OW0910034694 Beijing XINHUA in English 0150
GMT 9 Oct 94

[FBIS Transcribed Text] Bonn, October 8 (XINHUA)—The German Government has formally asked Iraq to withdraw the troops it was massing on its southern border with Kuwait.

German Foreign Minister Klaus Kinkel Saturday [8 October] made the announcement in Berlin, according to the DPA NEWS AGENCY.

Kinkel said that Germany made the request to Iraq also as chairman of the European Union.

Sources in Kuwait said on Friday that two military divisions of Iraq were advancing towards its southern border with Kuwait.

According to the state-run Iraqi news agency, however, an Iraqi Government spokesman has said there have been no military movements and Iraq has no intention

of re-invading its neighbor. A previous invasion of Kuwait by Iraq ignited the 1991 Gulf war.

President Bill Clinton has put U.S. troops on the alert and ordered an aircraft carrier to the Red Sea for its possible duty in Kuwait.

Britain was also reported to be sending a warship to the Gulf as a warning.

King Husayn Comments

OW1010110394 Beijing XINHUA in English 0922
GMT 10 Oct 94

[FBIS Transcribed Text] Kuwait City, October 10 (XINHUA)—King Husayn of Jordan said his country had advised the Iraqi leadership not to repeat the mistakes of the 1990 invasion of Kuwait.

In a telephone interview published in the Kuwaiti English-language daily "ARAB TIMES" today, King Husayn said Jordan is "with the side which will be the target of aggression."

"We have conveyed this position to (Iraq Deputy Premier) Tariq 'Aziz who stopped in Amman on his way back to Baghdad from New York," he said.

King Husayn added, "We hope that this Jordanian position is clear to our brothers in the Gulf states."

"Let it be known that we are against Arabs using force against their brethren Arabs," the king went on.

King Husayn went on to say that Jordan supports resolving conflicts through dialogue and negotiations and not by committing mistakes and resorting to the use of force.

He said the Iraqi people should be spared the dangers and risks. However, he pointed out that this target can never be achieved through mistakes and inaccurate calculations.

Jordan, whose relations with Kuwait have remained sour since the Iraqi invasion of Kuwait due to its sympathy stance toward Iraq, expressed Sunday [9 October] its "deeply concern" over Iraq's military massing near its border with Kuwait.

Kuwaiti-Iraqi Border Remains Calm

OW0910234794 Beijing XINHUA in English 2017
GMT 9 Oct 94

[FBIS Transcribed Text] Kuwait City, October 9 (XINHUA)—The United Nations Iraq-Kuwait Observation Mission (UNIKOM) spokesman said today that the situation is calm in the demilitarized zone (DMZ) along the border between Iraq and Kuwait.

Besselin Kostov said that thousands of stateless Arabs camped just outside the Iraqi side of the DMZ, but they have made no attempts to enter the DMZ, the KUWAIT NEWS AGENCY (KUNA) reported.

The situation along the border was being monitored by the UNIKOM, established in 1991 after the Gulf war, Kostov said.

Kostov said stateless Arabs set up tents estimated at less than 1,000, which can accommodate some 24,000 or 25,000 people.

The spokesman said the UNIKOM had expressed their concern to the Iraqi authorities over the grouping of a large number of these people near the DMZ.

He also said that no military build-up or troops movement was spotted near the Iraqi side of the DMZ.

The DMZ, 15 kilometers wide and extending 10 kilometers into Iraq and five kilometers into Kuwait, was set up by the UN after the Gulf war along the 207-kilometer Kuwaiti-Iraqi border.

Iraq said some stateless Arabs camped in the Iraqi part of the border area to protest against Kuwait.

However, Kuwaiti Minister of Information Sa'ud Nasir al-Sabah indicated that the so-called civilians pitching tents across the border are Iraqi soldiers in plain clothes.

Israel's Peres Comments

OW0910000594 Beijing XINHUA in English 2130
GMT 8 Oct 94

[FBIS Transcribed Text] Jerusalem, October 8 (XINHUA)—Foreign Minister Shim'on Peres said today that the Iraqi military buildup close to the Iraqi-Kuwaiti border poses no threat to Israel, reported Israel television this evening.

He said that there is no reason for concern in Israel over the situation and it has no bearing on Israel.

Tensions have been mounting in the Gulf region since Friday when [7 October] U.S. President Bill Clinton announced that U.S. troops were put on alert and an aircraft carrier was dispatched to the Gulf. Britain also decided to send a frigate to the Gulf.

The U.S. decision followed reported Iraq's troop movement to the south toward its border with Kuwait.

Friday night, an Israeli military source was quoted as saying that the Iraqi maneuver appeared to be a demonstration aimed at the next week's UN Security Council debate on the sanctions imposed by the UN on Iraq following its August 1990 invasion of Kuwait.

In an attempt to expand the Gulf war in 1991, Iraq launched a total of 39 scud missiles against Israel inflicting some casualties and damage on Israel. Israelis were warned of the danger of a chemical warfare, but it did not happen.

Under a heavy pressure from the Bush administration, Israel was obliged to remain on the sidelines during the Gulf war.

Iraq Denies Reinvasion Plans

OW0910020094 Beijing XINHUA in English 0011
GMT 9 Oct 94

[FBIS Transcribed Text] Baghdad, October 7 (XINHUA)—Iraq today denied it intended to re-invade Kuwait, saying Iraq “has no aggressive intentions,” the official Iraqi news agency reported.

A government spokesman said in a statement carried by the news agency that all the talks about Iraq’s attempt to re-invade Kuwait are part of a “sick plot” aiming to justify prolonging the UN sanctions against Iraq.

Suggestions that Iraq planned to re-invade Kuwait followed a statement by Iraqi opposition groups which said President Saddam Husayn has moved elite troops toward “the cities of Basra and Amara” near Kuwait’s border.

In Washington, the State Department immediately accused Iraq of threatening Kuwait with a buildup of troops and said it was prepared to respond “to any act of aggression.”

U.S. President Bill Clinton said at a press conference at the White House that Washington is closely watching the Iraqi-Kuwaiti situation.

The Iraqi Government spokesman said this evening that Iraq is not obliged to account for positions of its Armed Forces inside the Iraqi territories.

“Nobody has the right to talk about moves of the Iraqi Armed Forces inside Iraq,” he said.

Those who have long harbored evil intentions toward Iraq “are intentionally making improper conclusions to support their sick plot and fabricate falsifications to justify their evil intentions,” the spokesman said.

On Thursday, following a meeting of the Revolutionary Command Council of the ruling Iraqi Baath Party, Iraq said if the UN does not ease or lift the four-year sanctions on Iraq, it would have to consider a new stance enabling Iraq to free from the current suffering.

In Kuwait, the Council of Ministers held an emergency meeting today to discuss the situation.

Kuwait, which was once invaded and occupied by Iraq in 1990-91, considered the Iraqi statement as “outright threats” against it.

A statement released by the cabinet said that the Iraqi stand “implied outright threats against Kuwait and the security and stability of the region.”

Kuwait has declared a state of emergency in all sectors to face the new situation and the Kuwaiti Defense Ministry has decided to summon all reserve forces and personnel who ended their military service to join their military units by 8:00 a.m. Saturday morning.

Egyptian President Hosni Mubarak tonight made a telephone call with Kuwaiti Amir Sheikh Jaber al-Ahmed al-Sabah on the latest security situation on the Iraqi-Kuwaiti border and the security situation in the Gulf.

Iraqi Troops Nearing Border

OW0910232794 Beijing XINHUA in English 2153
GMT 9 Oct 94

[FBIS Transcribed Text] London October 9 (XINHUA)—British BBC television this evening quoted an Kuwaiti official as saying that Iraqi troops have advanced to eight miles from the Kuwaiti border.

Kuwaiti Information Minister Sa’ud Nasir ‘Al-Sabah said 83,000 men in four armoured divisions were two miles from the demilitarised zone that separates the two countries.

He said thousands of people who had gathered at the border since this morning were soldiers in civilian clothes.

He rejected Iraqi claims that they were Arabs seeking to return home.

The Western powers, particularly the United States, are busy with military deployment in the Gulf region today to stop Iraq’s possible invasion of Kuwait.

Meanwhile, Iraqi Foreign Minister Muhammad Sa’id al-Sahhaf said today Iraq was seeking a diplomatic solution to the current crisis with United Nations but wanted guarantees of a quick end to Gulf war sanctions.

Iraq Announces Troop Withdrawal

OW1110081394 Beijing XINHUA in English 0756
GMT 11 Oct 94

[FBIS Transcribed Text] Baghdad, October 10 (XINHUA)—Iraqi Foreign Minister Muhammad Sa’id al-Sahhaf said today that the Iraqi troops near the Kuwaiti border will be moved to “other locations in the rear” to complete military exercises.

The Iraqi official news agency quoted him as saying that the withdrawal was ordered following appeals from “friends” and “in view of the fact that the troops’ presence might be used as a pretext to maintain sanctions.”

But he noted the deployment will be made in circumstances that do not harm his country’s sovereignty and its right to troop movements within its territories.

Iraq has moved tens of thousands of troops toward the Kuwaiti border since Friday [7 October], raising fears of a repeat of Iraqi invasion of the emirate.

In New York, Iraq’s Ambassador to the United Nations Nizar Hamdun also announced that his country would withdraw its troops.

"The Iraqi Government has decided to move the troops to another area," he said.

He told reporters that the troops are "already on the move."

Iraq Reportedly Starts Withdrawal

OW1110123394 Beijing XINHUA in English 1203
GMT 11 Oct 94

[FBIS Transcribed Text] Baghdad, October 11 (XINHUA)—Iraq has started pulling out its troops from positions north of the Kuwaiti border, the official IRAQI NEWS AGENCY reported today.

Unidentified official military sources here were quoted as saying that units of the elite republican guard, which moved to positions north of the Kuwaiti border Thursday [6 October], started pulling out Monday night.

The agency said an important part of the troops have already moved to new positions north of Basra and the pullout "is still going on intensively today."

Kuwait Orders Civilians To Leave

OW1010112394 Beijing XINHUA in English 1019
GMT 10 Oct 94

[FBIS Transcribed Text] Kuwait City, October 10 (XINHUA)—Kuwait today ordered its citizens to evacuate the border areas north of Al-Metlah [spelling of name as received] area.

The Armed Forces Morale Guidance and Public Relations Office said in a statement that Defense Ministry security officials have also banned camping or sheep and camel grazing in Al-Jahraa-al-Salmi Ring Road [spelling of name as received] up to the northern borders.

The statement ordered civilians to clear out these areas as of today and said authorities would evacuate any civilian presence in these areas.

It added violators would be brought to account.

The move follows Iraqi troop buildup near Iraqi-Kuwait border.

Kuwaiti Cabinet on Iraqi Statement

OW0810000394 Beijing XINHUA in English 1853
GMT 7 Oct 94

[FBIS Transcribed Text] Kuwait City, October 7 (XINHUA)—The Council of Ministers today held an emergency session today to discuss the Iraqi statement.

Following a meeting of the Revolutionary Command Council of the ruling Iraqi Ba'ath Party Thursday [6 October], Iraq said it was considering a new stance enabling the country to free from the current suffering, if the United Nations does not ease or lift the four-year-old sanctions on the country.

Kuwait, who was once invaded and occupied by Iraq in 1990-1991, considered the Iraq's statement as serious threats toward it.

Iraq asked the UN Security Council to ease or lift the economic embargo on it when it meets on October 10, without mentioning any exact steps it would take toward the international community or Kuwait.

The cabinet released a statement saying that the Iraqi stand "implied outright threats against Kuwait and the security and stability of the region."

Acting Kuwaiti Prime Minister and Foreign Minister Sabah al-Ahmad al-Sabah met this morning with ambassadors of the Permanent Security Council members, Gulf Cooperation Council members and Damascus Declaration States for consultations and coordination over the threats, the statement said.

It added the cabinet also reviewed the necessary steps to be taken on this regard.

The cabinet entrusted the Second Deputy Premier and Finance Minister Nasir al-Rawdan to consult and coordinate with officials from Kuwait's friendly states at the UN General Assembly meeting in New York.

"The State of Kuwait sympathizes with the Iraqi people's suffering and affirms that the only way to put an end to this suffering is to seriously abide by all international resolutions," the statement concluded.

Iraqi Deputy Prime Minister Tariq 'Aziz said today in a statement to the UN General Assembly that Iraq has complied with relevant UN Security Council resolutions.

However, Kuwait has maintained that the resolutions have not yet been completely implemented by Iraq, particularly those concerning the new border demarcations and release of Kuwaiti prisoners of war detained in Iraq.

Kuwaiti Envoy Discounts Possible Attack

OW0910234694 Beijing XINHUA in English 1927
GMT 9 Oct 94

[FBIS Transcribed Text] Cairo, October 9 (XINHUA)—Kuwait's Ambassador to Egypt 'Abd-al Hamid al-Bu'ayjan today discounted a possible Iraqi attack on his country amidst reports of Iraqi troop movements toward the Kuwaiti-Iraqi border.

Al-Bu'ayjan made the remarks to reporters after talks with Egyptian Foreign Minister 'Amr Musa on the latest developments of Iraqi military buildup along the border with Kuwait over the weekend.

"It is apparent that (President) Saddam Husayn cannot do anything because he is broken and beaten." He is just trying to strengthen his position among his people and Army, he said.

Iraq was defeated during the Gulf war in 1991 and has been under UN economic sanctions imposed for its invasion of Kuwait.

Iraq has confirmed the troop movements but denied any plan to re-invade Kuwait. Iraq has demanded a lifting of the UN sanctions because it said it has complied with UN resolutions that ended the Gulf war.

At the same time, Libya also played down the threat of Iraqi military buildup along its border with Kuwait and accused the United States of Hollywood-style "cheap muscle flexing" by sending troops to the Gulf.

The Libyan news agency JANA said in an editorial Saturday [8 October] night that the world countries know very well that the U.S.-led Allied Forces destroyed greater part of the Iraqi Army and its weapons in the 1991 Gulf war.

It is reported that the United States is sending the aircraft carrier USS George Washington to the Gulf area and it is expected in the Red Sea within striking distance of Iraq early Monday.

A U.S. officer said 4,000 U.S. troops from Fort Stewart, Georgia, will be airlifted into Kuwait in the next few days and a four-ship amphibious group with 2,000 U.S. Marines was expected to reach Kuwaiti waters today from the southern Gulf.

In addition, the British's Cornwall, arrived off Kuwait City earlier today.

UN Agencies 'Working Normally'

OW0910001694 Beijing XINHUA in English 2114
GMT 8 Oct 94

[By Zhang Dacheng: "UN Agencies in Iraq Working Normally As U.S. Warships Approaching"]

[FBIS Transcribed Text] Baghdad, October 8 XINHUA—The United Nations agencies in Iraq are working normally today as U.S. and British warships are approaching the northern Gulf and the Red Sea to counter Iraqi military buildup near its border with Kuwait.

Goran Wallen, director of the Baghdad monitoring center set up by the UN Special Commission on Iraqi Weapons Issues (UNSCOM), told XINHUA that the construction by Iraqi workers to accommodate rooms at a hotel for weapons monitoring facilities was going on.

"Everything is well and quiet," Wallen, a retired rear admiral of the Royal Swedish Navy, said at the Canal Hotel on the outskirts of Baghdad which is used by the UN agencies as their headquarters.

Following his latest round of talks with Iraqi officials on the UN plan to monitor Iraq's weapons related facilities on Thursday [6 October], Rolf Ekeus, executive chairman of the UNSCOM, held that the Iraqi workers

were responsible for postponing the full operation of the monitoring center which was planned to start by the end of September.

Reports said Iraq was moving elements of two of its Elite Republican Guard divisions from northern and central Iraq in the direction of the Kuwaiti border. It was also moving ammunition there.

On Friday, Baghdad denied that it intended to re-invade Kuwait. A government spokesman said in a statement that "all the talks about Iraq's attempt to re-invade Kuwait are part of a sick plot aiming to justify prolonging the UN sanctions against Iraq."

Iraq has threatened to block the UN monitoring if the Security Council does not lift the oil embargo.

To counter the Iraqi buildup of troops near the Kuwaiti border, U.S. President Bill Clinton has ordered the aircraft carrier "USS George Washington" to steam toward the Gulf region.

The carrier was traveling to the Red Sea from the Adriatic, and was expected to arrive by Sunday night. Also dispatched toward the Gulf were warships normally based at the Indian Ocean Island of Diego Garcia.

A four-ship amphibious assault group carrying 2,000 Marines was sent from the southern Persian Gulf north toward Kuwait.

The British Defense Ministry also announced it was sending an extra frigate to patrol off Kuwait.

In Baghdad, the chief of the Baghdad Office of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) told XINHUA that the demilitarized zone on the Iraqi-Kuwaiti borders (DMZ) was quiet and normal at present.

The chief, a Russian colonel, said that anybody with weapons is not allowed to enter the zone, which is 210 kilometers long and 15 kilometers wide (10 kilometers on the Iraqi side and five on the Kuwaiti side) and is patrolled and monitored by about 300 UNIKOM military observers with the support of a battalion of lightly-armed Bangladesh soldiers.

The Kuwaitis have finished the construction of a five-meter wide and three-meter deep trench along the full range of the border, which was demarcated by the UN after the 1991 Gulf war and was rejected by Iraq. The trench is used to prevent any Iraqi infiltration and the Iraqis who lived on the Kuwaiti side of the border have all pulled back to the Iraqi side.

But hundreds of Iraqis and other Arabs, who were kicked out of Kuwait after the 1991 Gulf war when the U.S.-led Multinational Allied Forces liberated Kuwait from Iraqi occupation, began this week to assemble near the demilitarized zone to protest against the Kuwaiti Government.

Paul Dahl, commander of the UN guards contingent in Iraq, told XINHUA that his staff, about 150 at present who are armed with pistols, are well on their mission to protect the transportation and distribution of UN relief supplies to the Kurdish inhabitants in northern Iraq.

"The situation in the north is quiet and normal at present," said Dahl, a Danish colonel. "The only problem is the lack of relief supplies which are donated by international humanitarian organizations."

But he also said that he has made an emergency withdrawal plan for his staff from the north, where the Kurds have established a self-proclaimed government with the support by Western powers, if the situation in Iraq is out of control in the future.

United States & Canada

Qian Qichen Says Ties With U.S. at 'Crucial Moment'

OW1010143594 Beijing XINHUA Domestic Service in Chinese 1253 GMT 10 Oct 94

[FBIS Translated Text] Beijing, 10 Oct (XINHUA)—Today, State Council Vice Premier and Foreign Minister Qian Qichen met with visiting (Arthur Shultzburger Jr.), publisher and president of the NEW YORK TIMES, and his party at the Diaoyutai State Guesthouse. The two sides held conversed on issues of common concern.

Touching on Sino-U.S. relations, Qian Qichen said: Relations between the two countries are at a crucial moment now, facing an opportunity for further improvement and development, and, meanwhile, needing to meet some challenges.

He said: Developing Sino-U.S. relations was originally a consensus reached between the U.S. Democratic and Republican Parties. In recent years, the two parties involved U.S. relations with China in their disputes. This is abnormal.

Qian Qichen pointed out: The Taiwan issue is the most sensitive issue in Sino-U.S. relations. It is the core issue mentioned in the three Sino-U.S. joint communiques. The history of the development of relations between the two countries proves that Sino-U.S. relations can enjoy development if the Taiwan issue is properly handled; otherwise, a crisis will occur in Sino-U.S. relations.

Qian Qichen said: China's market is open to every country in the world. "We hope and welcome more U.S. businessmen to enter into China's market and to capture more of its share. The problem is that the U.S. Government has established a number of obstacles. They weaken the competitiveness of U.S. enterprises in China."

Qian Qichen said: To consolidate and expand the common interests of China and the United States, we should reduce troubles and increase cooperation. The

two countries should become cooperative partners instead of opponents in confrontation. As an influential, major newspaper in the United States, the NEW YORK TIMES can play a positive role.

Sulzberger said: The NEW YORK TIMES is willing to make efforts to further strengthen U.S.-Chinese relations. China's vigorous economic development has attracted worldwide attention. The NEW YORK TIMES is ready to focus its reports on China's economic development.

Official Hopes U.S. Flexible on GATT

*HK1110114194 Beijing CHINA DAILY in English
11 Oct 94 p 1*

[By Wang Yong: "New Talks On GATT Re-Entry Conclude"]

[FBIS Transcribed Text] China and the United States yesterday concluded a new round of talks on China's re-entry into the General Agreement on Tariffs and Trade,

Chinese Vice-Minister of Foreign Trade and Economic Co-operation Shi Guangsheng told visiting US Ambassador and Deputy Trade Representative Charlene Barshefsky that conditions are ripe for China to resume its contracting party status in Gatt.

In an exclusive interview with China Daily, a trade official said Shi had expressed the hope that the United States "should demonstrate flexibility to enable China to rejoin Gatt and become a founding member of the World Trade Organization (WTO) as soon as possible.

Shi pointed out that the negotiations on China's Gatt re-entry "have entered a critical stage."

"Most Gatt contracting parties have adopted positive attitudes and made real efforts to support China's reentry into Gatt before the end of this year," Shi said.

He said China has made great efforts in the negotiation process and in improving the Sino-US relations.

Shi said China's re-entry into Gatt would benefit the US and the world as a whole.

He stressed, however, that China would not seek to rejoin Gatt at the expense of China's fundamental interests, such as social and economic stability.

He added that China has made considerable progress in protecting intellectual property rights (IPR), opening up markets and improving trade in services.

Barshefsky said the US has recognized the great efforts taken by China in settling many bilateral and multilateral issues.

She said it is in the interest of China, the US and the world as a whole to see China rejoining Gatt and becoming a founding member of WTO.

She added that her country is willing to co-ordinate with other Gatt contracting parties so as to achieve this goal at an early date.

But she pointed out that China has yet to further improve its market access, especially concerning service trade. Strengthening the enforcement of IPR protection policies is also demanded.

Li Lanqing Meets U.S. Mathematician

OW1010112494 Beijing XINHUA in English 1022
GMT 10 Oct 94

[FBIS Transcribed Text] Beijing, October 10 (XINHUA)—Chinese Vice-Premier Li Lanqing met here today with Professor S. S. Chern, famous American Chinese mathematician and honorary director of China's Nankai Institute of Mathematics, and his wife Shih Ning Chern.

During the meeting, Li and Professor Chern discussed matters on enhancing the training of young Chinese mathematics talents and developing Chinese education.

Zhang Xiaowen, vice-minister of the State Education Commission, and Mu Guoguang, president of Nankai University, were present at the meeting.

Northeast Asia

Qian Qichen Meets With DPRK Vice Foreign Minister

OW0710130494 Beijing XINHUA in English 1240
GMT 7 Oct 94

[FBIS Transcribed Text] Beijing, October 7 (XINHUA)—Chinese vice-premier and Foreign Minister Qian Qichen met with Cho Kyo-il, vice-foreign minister of the Democratic People's Republic of Korea (DPRK), here today.

Cho is here at the head of a DPRK Foreign Ministry delegation to participate in activities marking the 45th anniversary of the forging of diplomatic ties between China and the DPRK.

Qian said the two countries established their diplomatic relations 45 years ago soon after the founding of the New China, which shows that China and the DPRK are close and friendly neighbors.

Qian pointed out that the maintenance of friendly relations between China and the DPRK is of great significance to safeguarding peace and stability in the region.

He said he is convinced that the DPRK people, under the leadership of the Korean Workers' Party Central Committee headed by Kim Chong-il, will carry out the will of late President Kim Il-song, fulfill the work in all fields along the direction the late president had worked out, and score new successes in their socialist construction and the reunification of the fatherland.

While speaking highly of the friendship between the two countries, Cho said that the DPRK will continue to make efforts for the development of bilateral friendship.

Cho said that China implements an independent foreign policy of peace and has made enormous achievements during the past 45 years.

The DPRK thinks highly of China's contributions to peace in Asia and the rest of the world, hoping that the Chinese people will keep advancing in the cause of building socialism with Chinese characteristics.

After the meeting, Qian hosted a dinner to mark the occasion.

Vice-Foreign Minister Tang Jiaxuan, DPRK ambassador to China Chu Chang-chun, as well as other guests attended both the meeting and the dinner.

DPRK Official Interviewed on PRC Relations

HK0710134294 Beijing RENMIN RIBAO in Chinese 6 Oct 94 p 6

[Dispatch by staff reporter Zhou Bizhong (0719 1801 1813): "May Sino-Korean Friendship Tree Be Forever Green—Interview With Chon Yon Ok, Vice Chairwoman of the Korean-Chinese Friendship Association Central Committee"]

[FBIS Translated Text] Pyongyang, 4 October—Chon Yon-ok, vice chairwoman of the Korean-Chinese Friendship Association Central Committee, was interviewed by this reporter the other day. Chon Yon-ok received this reporter in a reception room inside the building housing the DPRK Foreign Cultural Relations Committee, where she spoke glowingly of the traditional PRC-DPRK friendship. She stated: Shortly after joining the fraternal Chinese people in celebrating the 45th anniversary of the founding of the PRC, the Korean people and Chinese people are to observe on 6 October their common festival—the 45th anniversary of the establishment of the DPRK-PRC diplomatic relations.

Chon Yon Ok noted: The establishment of DPRK-PRC diplomatic relations 45 years ago not only embodied a common wish among the Chinese and Korean people, who were so anxious to see the Sino-Korean friendship—which had taken root after arduous revolutionary struggles—develop from generation to generation, but also elevated Korean-Chinese relations to a new stage. Moreover, the establishment of DPRK-PRC diplomatic relations also had a great impact on the situation at that time, both in Asia and in the world as a whole, and made positive contributions to the maintenance of peace in Asia and the world.

Over the past 45 years, the two countries have comprehensively developed friendly cooperation in the political, economic, cultural, scientific-technological, military, and many other fields. Chon Yon-ok stated: Since establishing diplomatic relations, the two countries have

signed a series of friendly cooperation treaties, including a cross-border railroad treaty, a scientific and technological cooperation treaty, a cultural cooperation treaty, a civil aviation treaty, a friendly cooperation and mutual assistance treaty, a medical and health cooperation treaty, and so on. She maintained: The implementation of these treaties has enabled us to feel the strong vitality of Sino-Korean friendship in the course of practice. It is China—and no one else—that has had the largest number of, and the most intimate contacts with the DPRK in terms of external relations. Therefore, it should be acknowledged that DPRK-PRC relations are of a special nature. Today, she noted, we are happy to see that the traditional DPRK-PRC friendship is being constantly strengthened and developed through the struggle to build socialism.

Chon Yon-ok stated: At present, the Korean people, by turning grief into strength, are closely rallying around the Korean Workers' Party [KWP], with Comrade Kim Chong-il as the center, and are sparing no effort to carry on the socialist cause and the struggle aimed at reunifying the motherland. She went on: Today, the fraternal Chinese people, by rallying around the CPC with the honorable Comrade Jiang Zemin as the core, have scored phenomenal achievements with respect to consolidating nationwide stability and solidarity, realizing nationwide modernization, and building socialism with Chinese characteristics. The Korean people, she stated, take the fraternal Chinese people's achievements as their own, and heartily rejoice at these accomplishments.

China and Korea are neighbors linked by common mountains and rivers. Chon Yon-ok added: Sino-Korean friendship was founded and nurtured by the late Comrade Kim Il-song, the late Comrade Mao Zedong, and the late Comrade Zhou Enlai. The late Comrade Kim Il-song, in his lifetime, attached great importance to DPRK-PRC relations. His signal contributions to the consolidation and development of traditional DPRK-PRC relations will remain forever in the hearts of both the Chinese and Korean peoples. She stressed: The Chinese Communist Party, the Chinese Government, as well as the Chinese people have actively supported the Korean people in carrying out socialist construction, and in pursuing the just cause of independently and peacefully reunifying the motherland. The Korean people are very grateful for this support, and under no circumstances will they forget it. Comrade Kim Chong-il, she noted, has set out that it is KWP's firm and unshakable principle to consolidate and develop Korean-Chinese friendship from generation to generation. She added: The Korean people, by carrying out the behest of the late Comrade Kim Il-song, will treasure their friendship with the Chinese people, and will make continued efforts to strengthen and develop Korean-Chinese friendship under the leadership of Comrade Kim Chong-il. She believed that the long-standing Korean-Chinese friendship, cemented with blood, will be constantly strengthened and developed through the joint efforts of the two peoples.

Liaodong Exercise Bolsters DPRK Regime

HK0710104094 Hong Kong CHING PAO in Chinese
No 10, 5 Oct 94 pp 34-36

[Article by Luo So (5012 2747): "Revealing Secrets About Landing Exercise of the Shenyang Military Region"—first paragraph is CHING PAO introduction]

[FBIS Translated Text] The semi-overt large-scale military exercise recently held by China's Shenyang Military Region on the Liaodong peninsula, was a show for the United States and South Korea to see, in response to the tense situation on the Korean peninsula. It also embodied the determination to uphold the commitment to North Korea.

In August this year, the PLA garrisons under the Shenyang Military Region in the northeast carried out a relatively large-scale military exercise on the Liaodong peninsula. It was a landing exercise in nature. A certain newspaper in Hong Kong immediately reported on this news, but the content was very sketchy.

The Three Armed Services Participated in the Combat Exercise With Live Ammunition

According to reports, the military exercise was approved by the CPC Central Military Commission, and was organized by the General Staff Headquarters and Shenyang Military Region. Among the participants in the exercise were the military region's air force, the North Sea Fleet, and the group army stationed in Liaoning. Tanks, aircraft, and warships were used, and the exercise was called "coordinated combat exercise involving the three armed services using live ammunition." The purpose of the exercise was to test the coordination abilities of the three armed services of the Air Force, Navy, and Army when attacking a large strategic target, as well as the ability in communication, intelligence, and logistics.

The military exercise by the three armed services on the Liaodong peninsula was the first by the Shenyang Military Region in many years, and the intention of the military exercise caused guesses in the outside world. A commentary pointed out that the military exercise was "a show for Li Teng-hui in Taiwan," and was "an exercise for landing on Taiwan." It also concluded that the exercise was a message that "mainland's armed forces all view Taiwan as the imaginary enemy." According to my understanding and analysis, guesses of this kind do not have much basis.

In Response to the Situation on Korean Peninsula

The military regions on the mainland are assigned defense and combat abilities, when it comes to the matter of division of labor, basically according to their geographical positions. A war against Taiwan has never been assigned to Shenyang Military Region, and research on tactics and intelligence is not its duty. Even if force were to be used to solve the Taiwan question in the future, except for the possibility that several units would

be transferred to take part in the war, it is unlikely that the whole Shenyang Military Region will be involved. In my opinion, no matter from the angle of military significance or from the angle of political significance, the exercise on the Liaodong peninsula was a response to the situation on the Korean peninsula, and was a show for the United States, South Korea, and North Korea.

In the past, many military exercises in the Shenyang Military Region were held with the Soviet Union as the imaginary enemy, and they were mainly exercises for drilling of the expedient, integrated, defensive, and offensive tactics carried out by ground forces. Since the disintegration of the former Soviet Union, Russia has devoted itself to its internal affairs, its expansionist policy has weakened, the tense condition along the Sino-Russian border has eased, and the threat from the north has decreased greatly. On the contrary, the situation on the Korean peninsula during recent years has become tense from time to time, and the dispute between North Korea, on the hand, and the United States and South Korea on the other hand has brought about a new war danger on the Korean peninsula since last year. Owing to the changes in the conditions of the neighboring areas, the situation on the Korean peninsula and the possible threat against China have become a focus of attention for China, as well as the main object of research on defense and combat for the Shenyang Military Region.

The Liaodong peninsula is adjacent to the Korean peninsula across the sea, and both have roughly similar geographical, natural, and climatic conditions. The tactical purpose of the military exercise on the Liaodong peninsula was to land troops on the Korean peninsula, and to support North Korea in its resistance against the United States and South Korea. In the early 1950's, when the Korean war erupted, the PLA Navy and Air Force had just been founded, and the only viable way to send troops to Korea was to send them to the rear of North Korea, across the Yalu Jiang. If a second Korean war were to erupt, however, the Chinese armed forces will have a variety of choices to take to participate in the combat.

Military Expansion of United States and South Korea Poses Threat to China

There is a long-term reason, as well as a short-term one, for formulating the plan of military exercise on the Liaodong peninsula.

After the conclusion of the Korean war, the Chinese Volunteers completed their withdrawal from North Korea by October 1958, but the U.S. armed forces are still garrisoned in South Korea, and they continue to carry out their annual joint military exercises with the South Korean armed forces. This is the basic reason why the situation on the Korean peninsula cannot be eased.

Propelled by the strong demand by the people in South and North Korea for peaceful reunification, South and

North Korea signed an agreement on reconciliation in December 1991, and in February 1992, they established three joint committees on politics, the military, and exchange and cooperation. Under the condition that there is no interference from a foreign force, the process of peaceful reunification on the Korean peninsula will pick up, but the U.S. military presence in South Korea has always been a factor detrimental to the peaceful reunification of South and North Korea. The annual joint military exercises by the United States and South Korea not only meets with protests by the young students in South Korea, but also stirs up antagonistic emotions among the people in North Korea.

In August 1992, the United States deployed "Patriot" missiles in South Korea for the first time.

In March 1993, 50,000 U.S. soldiers and 70,000 South Korean troops carried out a 10-day "Team Spirit" joint military exercise, the purpose of which was to test the ability of the U.S. forces to support and coordinate with the South Korean forces once a war breaks out on the Korean peninsula. The contents of the exercise include tactics used by the U.S. forces in the Persian Gulf.

This year, using the excuse that it must deal with the nuclear threat from North Korea, the U.S. forces added more than 200 warplanes, as well as advanced radars and other weapons, to carry out an electronic air combat targeted on North Korea.

In June this year, the U.S. Department of Defense claimed that it had formulated three contingency plans for increasing the strength of the U.S. forces on the Korean peninsula, including the sending of additional troops, warplanes, and warships. The South Korean Defense Ministry announced that the annual South Korean-U.S. joint military exercise, codenamed "One Zoom Lens," would be held from 22 August to 4 September, and that 650,000 South Korean troops would take part in it together with the 36,000 U.S. soldiers stationed in South Korea. Including this exercise, South Korea and the United States have carried out 19 joint military exercises since 1976.

Whenever South Korea carried out a military exercise, North Korea could not but announce a state of alert throughout the country. When the United States increases its military strength in South Korea, it also poses a potential threat to China; this is one of the reasons why China must make an expression in military terms.

Related to the Nuclear Issue in North Korea

Another reason for China to carry out the military exercise on the Liaodong peninsula was because of the nuclear crisis on the Korean peninsula.

China hopes to ease the increasingly tense situation on the Korean peninsula caused by the North Korean nuclear issue. After the International Atomic Energy Agency and North Korea ran into a deadlock regarding

facility inspections, the United States, South Korea, and Japan all hoped that China would give play to its influence, and would persuade North Korea to abandon its plan to make nuclear weapons and to remain in the Nuclear Nonproliferation Treaty. Judging from China's traditional friendship and economic and political links with North Korea, China would be able to do this, but China did not seem to be very enthusiastic in the beginning. One of the considerations was that China supported North Korea in its bid to open the door to relations with the United States using the nuclear issue, so China let North Korea sing the song of the "empty-city strategem" [kong cheng ji 4500 1004 6060—meaning to try and put on a bold face] for a while, and said that it had "limited influence." Another consideration was that China wanted to observe the tendency of U.S. policy toward China and "wait for an appropriate price before selling." At the end of May, the Clinton administration decided to abandon the policy of linking human rights to the most-favored-nation trading status, thereafter, as some kind of reciprocity, China began to try its best to settle the nuclear issue in North Korea.

A week later, Deputy Marshal Choe Kwang, chief of General Staff of the North Korean People's Armed Forces, led a military delegation to visit Beijing at invitation. The delegation was entrusted by Kim Il-song and Kim Chong-il with the responsibility to exchange ideas with China concerning the situation on the Korean peninsula and on the nuclear issue. President Jiang Zemin, who is chairman of the CPC Central Military Commission, met Deputy Marshal Choe Kwang in Zhongnanhai on 8 June, and stressed that the CPC, the Chinese Government, and the people throughout the country would staunchly stand on North Korea's side. When the senior leaders of the Chinese military held talks with the North Korean military delegation, they explained the advantages and disadvantages of a program to develop nuclear weapons, in order to persuade North Korea to abandon it. Eventually, North Korea agreed to freeze the program, but raised some demands. First, China must help to bring about a direct dialogue between North Korea and the United States; second, North Korea expressed great worries about the military threat from the south, and hoped China could make a certain commitment.

In fact, the military strength between North Korea and South Korea is unbalanced. According to the analysis in the South Korean Defense Ministry's "1993-94 National Defense White Paper," the number of North Korean troops is 1.6 times the number in South Korea, but North Korea is inferior in the area of weapons and equipment. Including the U.S. forces stationed in the South, the overall military strength of South Korea is 1.5 times superior to that of North Korea. After abandoning the development of nuclear weapons, North Korea will have no effective means of preventing an invasion from the South, or U.S. military blackmail.

China solemnly promised North Korea that if the South Korean and U.S. forces were to invade North Korea,

China would not sit back and watch. When necessary, China would send troops to Korea again to support North Korea in the war of resistance. China also revealed to North Korea that within an appropriate period of time, the PLA would carry out a military exercise to embody China's determination to keep its commitment.

The Military Exercise Was Semi-Overt in Nature

The military exercise on the Liaodong peninsula was semi-overt in nature. Before the military exercise, except for informing North Korea, China also notified South Korea, the United States, Japan, and Russia. As various sides understood the intent of the military exercise, no sensitive response was caused in the international community. During the period, Xu Huizi, deputy chief of General Staff, led a Chinese military delegation to visit the United States, and both sides held talks on the issues of the Korean peninsula, the Nansha [Spratly] Islands, and Taiwan, and there was no unhappy incident.

Stabilizing the New Government in North Korea

The military exercise on the Liaodong peninsula has played a positive role in stabilizing North Korea's internal situation and in facilitating a smooth takeover of power by Kim Chong-il following the death of North Korean leader Kim Il-song. China wants to see a stable political situation in North Korea. The outside world has many guesses as to whether North Korea can smoothly handle a transfer of power, but many of these guesses are groundless. When analyzing the political situation in North Korea, a very important reference is China's expression of stance. Without certainty, China will not openly recognize Kim Chong-il's leading position following the passing of Kim Il-song. No matter who comes to power in North Korea, he will understand the great significance of China's support, so it is hard to imagine that a certain force will climb to the stage of power with China knowing very little about it. To the already-established new administration in North Korea, the military exercise on the Liaodong peninsula will have the political effect of assisting and stabilizing.

It seems that the military exercise on the Liaodong peninsula also reflected China's concern about the model for reunification of the Korean peninsula. For a long period of time, North Korea has served as a buffer state for China against the potential threat from the U.S. military presence in South Korea. China wants to see a peaceful reunification of North and South Korea without the interference from a foreign force, but the model of reunification of East and West Germany, in which West Germany swallowed up East Germany, obviously is not one China wants to see. However, if China abandons giving play to its influence on the Korean peninsula, and lets the U.S. element become the sole dominant factor, then the West German reunification model might appear on the Korean peninsula.

Since the end of the Cold War, China's role in peace and stability in Asia has greatly swelled. Signs indicate that China may play a more active role.

5 September 1994

Near East & South Asia**Zhu Rongji Arrives in Cairo for Official Visit**
*OW0910232194 Beijing XINHUA in English 1834
GMT 9 Oct 94*

[FBIS Transcribed Text] Cairo, October 9 (XINHUA)—Chinese Vice-Premier Zhu Rongji arrived here tonight on a six-day official visit to Egypt.

Zhu was greeted at the Cairo Airport, among others, by deputy prime minister and Minister of Planning Kamal Ahmad al-Janzuri and other senior Egyptian officials as well as Chinese Ambassador to Egypt Yang Fuchang.

During his stay here, the Chinese vice-premier is scheduled to meet with Egyptian President Husni Mubarak and Prime Minister 'Atif Sidqi. He will hold talks with Al-Janzuri, deputy prime minister and Minister of Agriculture Yusuf Wali and Foreign Minister 'Amr Musa.

The talks between the two sides are expected to focus on bilateral relations, rural development, small and medium-sized industries and free industrial zones.

They will also discuss regional issues and other international issues of common concern.

In addition, Zhu will hold discussions with representatives from economic, financial and business circles in the country.

A Chinese diplomat based here said China and Egypt have a long history of friendship. Since the establishment of their diplomatic relations in 1956, the two countries have entered into friendly and extensive cooperation in the political, economic, cultural, and science and technology fields, he added.

The diplomat stressed China and Egypt have many points in common and they both are carrying out economic reforms. Their two-way trade is growing, reaching 220 million U.S. dollars in 1993. Egypt will become one of China's major trading partners, he said.

Meets Premier Sidqi

*OW1110004894 Beijing XINHUA in English 1853
GMT 10 Oct 94*

[FBIS Transcribed Text] Cairo, October 10 (XINHUA)—Egyptian Prime Minister 'Atif Sidqi met today with Chinese Vice Premier Zhu Rongji, who is paying a six-day official visit to the country.

During the meeting, the two officials discussed means to promote cooperation between China and Egypt in the economic and trade fields under the existing good relations between the two states.

Earlier today, Zhu Rongji concurred with Kamal Ahmad al-Janzuri, Egyptian deputy prime minister and minister

of planning, on promotion of trade exchanges and establishing joint ventures including a Sino-Egyptian bank with branches in Beijing and Cairo respectively.

The two officials also sought ways to double the Sino-Egyptian trade volume next year.

Zhu met today with Egyptian deputy prime minister and Minister of Agriculture Yusuf Wali to discuss ways of boosting cooperation on agricultural development and applying modern agricultural technology [as received] such as genetic engineering.

Zhu Rongji arrived here Sunday [9 October] night.

Trawlers Enter Indian Waters 'By Mistake'

*HK1010073094 Hong Kong AFP in English 0648 GMT
10 Oct 94*

[Text] Beijing, Oct 10 (AFP)—China asserted Monday that three trawlers detained by India since mid-August for spying had entered Indian waters by mistake, and it asked the Indian Government to allow them to leave.

"The Chinese trawlers set off from a port in Malaysia in mid-August," said a spokesman for the Chinese Foreign Affairs Ministry. "However, they entered Indian waters mistakenly on their way to Myanmar (Burma) and were detained by the Indian side."

"The Chinese side has already made explanation to the Indian side on this matter, asking for the release of the ships as well as the crew," the spokesman said. "The Indian side has agreed to this and the two sides are now handling the matter."

According to the TIMES OF INDIA, the Indian foreign ministry has already asked that the trawlers and their 55 men be allowed to leave. But the maritime authorities have refused, citing a report by the Indian secret service.

According to the report, the trawlers intercepted August 18 were equipped with numerous electronic devices and contained Chinese army maps of the Gulf of Bengal and neighboring countries.

China is the principal ally of Burma and bilateral economic and military cooperation has strongly developed in recent years.

Beijing has also installed a radar station on Burma's Cocos Islands near the Andaman Sea, according to diplomats in Rangoon.

The station will be capable of following the movements of the Indian navy in the Indian Ocean and of watching India's missile program.

West Europe**Vice Premier Zhu Rongji Continues Visit to Spain
Views Sino-Spanish Ties**

*OW0810022694 Beijing XINHUA in English 0157
GMT 8 Oct 94*

[FBIS Transcribed Text] Madrid, October 8 (XINHUA)—The prospects for cooperation in economic

development by China and Spain are very bright, since the two countries, with their different economic characteristics, can help each other, Chinese Vice Premier Zhu Rongji said in an interview with the Spanish EFE news agency earlier this week.

Zhu is on an official visit to Spain after attending the annual conference of the World Bank and the International Monetary Fund in Madrid.

"Since the establishment of diplomatic relations between our two countries, China and Spain have enjoyed very good relations in the political, economic and other fields. Leaders of the two countries have visited the other on numerous occasions, and this has strengthened the friendly relations between our two countries," said Zhu.

He cited as an example of the development of good relations the visit to Beijing earlier this year by Spanish Deputy Prime Minister Narcis Serra, who opened an exhibition of Spanish industrial products in the Chinese capital.

"I am visiting Spain in return for the visit by Deputy Prime Minister Serra in order to promote friendly and cooperative relations. Businessmen from China and Spain will sign a number of contracts and agreements during my visit, and I think more agreements will be signed in the future," he said.

Asked whether the issue of human rights would affect relations between China and the United States and Europe, Zhu said China and the West had a different view of human rights, although they also shared certain common views, when human rights were regarded as human value concepts and standards of behavior.

"But due to the differences between various nations in their historical backgrounds, and in the social field, there are different concepts of human rights," he said.

He said the Chinese Government always pays close attention to the protection of human rights, and added, "We think no country should impose its own view of human rights on another."

He also said differences over human rights should not block the development of international cooperation in the political, economic and cultural fields.

"The decision by U.S. President Bill Clinton to de-link human rights from Most Favored Nation trade status for China earlier this year was a wise action. We hope that the relations of cooperation between China and the United States and other Western countries in the trade and other fields will develop further," Zhu concluded.

Comments on Surplus Labor

OW0810051294 Beijing XINHUA in English 0443
GMT 8 Oct 94

[FBIS Transcribed Text] Madrid, October 8 (XINHUA)—Reemploying the surplus labor force from

China's state-owned enterprises and rural areas is vital to social stability in China, Vice Premier Zhu Rongji said here on Thursday [6 October].

In an interview with the Spanish news agency EFE, Zhu said that as the Chinese state enterprises have been employing more people than they really need, their economic efficiency is not so ideal.

To improve their efficiency, Zhu said, the Chinese Government has been trying to separate the surplus labor from these enterprises and redistribute it to other economic sectors, especially the service industry.

While so doing, he added, social insurance programs need to be established and improved so that social stability will not be affected.

Speaking on rural labor migration to urban areas, Zhu said that this is something the Chinese Government does not like to see, because such a disorderly labor shifting will only put more pressure on the over-burdened urban infrastructures.

The Chinese Government has been trying to solve the problem by encouraging the development of rural and township industries to absorb the surplus rural labor force.

In the meantime, the government has raised the prices of farm products so that peasants will continue farming instead of seeking a better life in urban areas.

He said that all these efforts have helped improve the overall labor situation.

Comments on State-Run Enterprises

OW0810050194 Beijing XINHUA in English 0430
GMT 8 Oct 94

[FBIS Transcribed Text] Madrid, October 7 (XINHUA)—Visiting Chinese Vice Premier Zhu Rongji said here on Thursday [6 October] that the future development of China's state-owned enterprises will not be towards privatization, but will be based on modern entrepreneurial systems.

"Some enterprises may develop towards a system of issuing shares, and state-owned enterprises may be encouraged to become involved in each other's share issues and to cooperate with private businesses," Zhu said in an interview with Spain's EFE news agency.

"With regard to the general trend of China's overall development, the proportion of private, individual and foreign-funded enterprises will increase to some extent, but public ownership will still dominate the economy," he said.

In today's China, state-owned enterprises account for more than 40 percent of the total number of businesses, and collectively-owned enterprises make up more than 30 percent. The remainder are privately-owned, foreign-funded or based on other forms of ownership, Zhu said.

The vice premier expressed that he believes China's introduction of the socialist market economy is appropriate to the conditions in the country.

"Our definition of a socialist market economy is that public ownership plays the major role while private businesses, foreign-funded enterprises and other forms of economic entities are allowed to exist and develop," he said.

In China, public ownership includes both state-run and collectively-owned enterprises, Zhu explained.

"The socialist market economy we have introduced enables the market to play the basic role in the disposal of resources. As far as the operational mechanism of the market is concerned, our market economy does not differ fundamentally with those of Western countries," the vice premier said.

"In our current reform of the financial, banking, taxation, foreign trade and other sectors, we have referred to and drawn on the experience of other countries," he added.

Zhu began a five-day official visit to Spain on Wednesday at the invitation of his Spanish counterpart

Narcis Serra, after attending the 1994 International Monetary Fund and World Bank annual meeting in the Spanish capital.

Ends Visit to Spain

OW1010012894 Beijing XINHUA in English 0031
GMT 10 Oct 94

[FBIS Transcribed Text] Malaga, Spain, October 9 (XINHUA)—Chinese Vice Premier Zhu Rongji today ended a five-day visit to Spain and left here for Egypt, the second leg of his three-nation trip.

Zhu arrived in Madrid on October 2 to attend the 49th annual meetings of the International Monetary Fund (IMF) and World Bank and started his visit to Spain as from October 5.

During his stay in Madrid, Zhu held talks with King Juan Carlos and other Spanish leaders, including Prime Minister Felipe Gonzalez and Deputy Prime Minister Narcis Serra.

The Chinese vice premier then left the capital on Friday [7 October] to go to visit southern Spain.

After Egypt, Vice Premier Zhu will also visit Greece.

Political & Social

CPPCC Meeting Studies 4th Plenum Decision

Li Ruihuan Chairs

OW0910102294 Beijing XINHUA Domestic Service in Chinese 0939 GMT 6 Oct 94

[By reporters Sun Yong (1327 0516) and Zhu Dongju (2612 0392 5468)]

[FBIS Translated Text] Beijing, 6 Oct (XINHUA)—The Eighth Session of the Eighth Chinese People's Political Consultative Conference [CPPCC] National Committee Standing Committee opened here this morning. The session's main agenda is to study and implement the Fourth Plenary Session of the 14th CPC Central Committee guidelines.

Li Ruihuan, chairman of the CPPCC National Committee, presided over the session and delivered a speech. He said: The "CPC Central Committee Decision Concerning Some Major Issues on Strengthening Party Building" adopted at the Fourth Plenary Session of the 14th CPC Central Committee is a document of strategic significance. Implementation of the document has a bearing not only on the future and destiny of the Communist Party, but also on the future and destiny of our country and people. In China, the Communist Party, as the ruling party, shoulders the heavy historical responsibility of leading the entire nation. Our cause will have no major problems so long as the Communist Party has no major problems; our country can be built successfully so long as the Communist Party is built successfully; and the great cause of revitalizing China and reunifying the motherland will look very promising so long as the Communist Party is strong. Party building incorporates ideological, organizational, and work style building. The three issues raised in the "Decision" are important issues requiring urgent solution in current party building, particularly in the party's organizational building. They are important because they have always occupied prominent places in party building, because at present there exist problems that cannot be ignored in these respects, and because the masses have reacted fairly strongly to them. We cannot resolve other problems, we can hardly accomplish the various tasks facing us, and we cannot build the CPC from the roots if we do not earnestly resolve these issues.

Li Ruihuan said: To build the CPC requires first of all that the CPC make efforts itself. At the same time, it also requires the entire nation's vigorous support. United front, armed struggle, and party building have always stood side by side as the Chinese revolution's three magic weapons. The CPPCC is the broadest patriotic united front organization in China and an important organizational form for realizing the basic political system of multiparty cooperation and political consultation under CPC leadership. In implementing the principles of "long-term coexistence and mutual supervision"

and of "treating each other with all sincerity and sharing weal and woe," the CPC counts on democratic parties and representatives from all nationalities and circles to make suggestions and to exercise supervision to help the ruling party improve work. Democratic parties and representatives from all nationalities and circles are also duty-bound to play the role of "friend who will give forthright admonition" and, in the spirit of "saying all you know and saying it without reserve," work actively, conscientiously, and tirelessly to help the CPC implement the Fourth Plenary Session of the 14th CPC Central Committee guidelines. To combine the CPC's own efforts with the external support and assistance of democratic parties and representatives from all nationalities and circles is very important for implementing the "Decision" to the letter.

He pointed out: The CPPCC, as a major venue for participating in the discussion and administration of state affairs, also faces the issue of building up people's political consultative conferences under the new historical conditions. The "Decision's" basic spirit and essential contents are also applicable to the CPPCC. Therefore, a good grasp of the "Decision" can give a strong impetus to the CPPCC in enhancing the level of participation in the discussion and administration of state affairs. We must thoroughly study the "Decision," grasp its spiritual essence, and translate it into action.

Vice Chairman Ye Xuanping, of the CPPCC National Committee, relayed General Secretary Jiang Zemin's speech at the Fourth Plenary Session of the 14th CPC Central Committee; Director Wang Weicheng, of the CPC Central Committee's Policy Research Center, briefed Standing Committee members about the process of drafting the plenary session documents and his gains after studying the documents.

It is understood that the current meeting will also deliberate and pass the regulations (revised draft) governing CPPCC National Committee motions and a namelist reshuffling personnel of the Eighth CPPCC National Committee.

Wu Xueqian, Yang Rudai, Ngapoi Ngawang Jigme, Seypidin Aze, Hong Xuezhi, Deng Zhaoxiang, Qian Weichang, Hu Sheng, Qian Zhengying, Sun Fuling, Ma Man-kei, Zhu Guangya, and Wan Guoquan, CPPCC National Committee vice chairmen; and Zhu Xun, secretary general, attended the meeting.

Implementation of Guidelines

OW1010134494 Beijing XINHUA Domestic Service in Chinese 1033 GMT 7 Oct 94

[By reporter Liu Siyang (0491 1835 2254)]

[FBIS Translated Text] Beijing, 7 Oct (XINHUA)—A meeting on CPC Central Committee's Organization Department [CPCCOD] affairs, which opened today, proposed that organization departments shoulder a heavy, unshirkable responsibility for the conscientious

implementation of the guidelines laid down by the Fourth Plenary Session of the 14th CPC Central Committee, and that they must take practical measures to strengthen the building of party organizations and make new contributions to ushering in a new situation of party building.

CPCCCOD Director Lu Feng presided over the meeting. CPCCCOD Deputy Directors Zhao Zongnai and Li Tielin expressed their views on how to strengthen the building of the party's primary organizations, adhere to democratic centralism, and train and promote young cadres.

At the meeting, Lu Feng said: The "CPC Central Committee Decision on Several Major Issues Concerning the Strengthening of Party Building" has important significance for guaranteeing that the party's basic line will remain unshaken and for maintaining China's long-term political stability. Organization departments must study it in earnest to gain a profound understanding, reach a consensus on the "Decision's" guidelines, pay close attention to its implementation in actual work, and further conduct party organizational work.

Comrades at the meeting concentrated their study and discussions around several major issues raised by the "Decision." They stressed: To strengthen the building of leading groups, it is necessary to not only select members for leading groups in accordance with the principle of making the cadre ranks more revolutionary, younger in average age, better educated, and professionally more competent and in accordance with the principle of selecting cadres that have both ability and political integrity, but use the principle of democratic centralism to standardize the behavior of the leading groups and leading cadres of party committees (leading party groups) at all levels. Li Tielin said: In their endeavor to uphold and improve democratic centralism, the party committees (leading party groups) at and above county level must emphasize successfully handling tasks in the following four aspects: conduct reeducation in democratic centralism among leading cadres to enhance their consciousness of implementing democratic centralism; uphold the central authorities' authoritativeness and guarantee the implementation of various decisions and policies adopted by the central authorities; persist in and perfect the system that combines collective leadership with the division of labor and personal responsibility; and establish a democratic and scientific system for decisionmaking.

Comrades at the meeting stressed: The party's primary organizations are the entire work of the party and the basis of its combat effectiveness. As such, we must make strenuous efforts to strengthen their building. Zhao Zongnai said: The building of the party's primary organizations must be strengthened to serve the party's basic line. We must combine our efforts to strengthen their building with the call for being strict with party members and for performing official duties in strict accordance

with the party constitution. We must study new situations and solve new problems. We must make unremitting efforts to build the party's primary organizations into fighting bastions that unite and lead the masses to carry out reform and construction.

Touching on the issue of training and promoting young cadres, comrades at the meeting believed that training and selecting leading cadres that have both ability and political integrity is a crucial job of the "great project"—strengthening party building—and an important issue that has a bearing on the overall situation. Liu Junlin and Yang Jiansheng, members involved with CPCCCOD affairs, said: Cadre quality has a direct bearing on whether or not we can adhere to the party's basic line for a hundred years without being shaken in our resolve, on China's long-term political stability, and on whether or not we can smoothly achieve the objectives of modernization. The proposal to vigorously train and promote leading cadres that have both ability and political integrity reflects the party Central Committee's foresight and sagacity. Organization departments should focus their attention on training and educating young cadres, improving their quality, enhancing their sense of responsibility to the party and the masses, and further deepening reform of the cadre personnel system so as to enable a mechanism in which excellent personnel have the opportunity to distinguish themselves and evolve.

Li Ruihuan Attends Session Closing

OW0910112194 Beijing XINHUA Domestic Service in Chinese 1159 GMT 8 Oct 94

[By reporters Zhu Dongju (2612 0392 5468) and Sun Yong (1327 0516)]

[FBIS Translated Text] Beijing, 8 Oct (XINHUA)—The Eighth Session of the Eighth National Committee of the Chinese People's Political Consultative Conference [CPPCC] Standing Committee closed in Beijing today. The session conscientiously studied the "CPC Central Committee Decision on Some Issues Concerning the Establishment of a Socialist Market Economic Structure" adopted by the 14th CPC Central Committee at its Fourth Plenary Session and the important speech General Secretary Jiang Zemin gave at the session. Standing Committee members unanimously believed that the "Decision" was very timely and very necessary. They noted they will make continued efforts to study and get a better understanding of the "Decision."

Li Ruihuan, chairman of the CPPCC National Committee, was present at the session.

Cheng Lianchang, Zhou Tienong, Guan Shixiong, Ma Pinfang, Gao Xingmin, Wang Siming, and other CPPCC National Committee Standing Committee members took the floor at the closing session. They pointed out that the "Decision" is a programmatic document of historic significance that will, under the new situation of

reform and opening up, have an immediate and far-reaching impact on improving the ruling party's ideological, theoretical, political, and organizational construction and its efforts to improve its work styles in an all-round manner. The "Decision" offers many new general summarizations in the way of party building theory and provides many practical rules in the way of promoting party building. People are greatly inspired by the firm determination of the CPC, standing on the most commanding height and with the greatest vision, to shoulder the heavy historic responsibility and withstand the tests of the times. They noted that under the correct leadership of the CPC and with the ruling party taking the lead in building up its own strength, the negative and corrupt practices now in society will certainly be effectively settled. Standing Committee members representing democratic parties said on the floor that they would firmly support the CPC Central Committee "Decision," be friends that would give forthright admonition to the CPC in the spirit of "treating each other with full sincerity and sharing weal and woe," actively offer views and suggestions on ways to implement the "Decision," and make practical efforts to strengthen democratic parties.

Today's session adopted CPPCC National Committee regulations governing the handling of motions and approved a namelist of personnel readjustment. It appointed Zhao Ximing deputy secretary general deputy secretary general of the Eighth CPPCC National Committee. In line with state regulations governing the age of cadres, Lu Zhichao and Fan Kang will no longer serve as deputy secretaries general of the Eighth CPPCC National Committee.

Ye Xuanping, vice chairman of the CPPCC National Committee, presided over the session. Other vice chairmen, including Wu Xueqian, Yang Rudai, Wang Zhaoguo, Ngapoi Ngawang Jigme, Seypidin Aze, Hong Xuezhi, Deng Zhaoxiang, Qian Weichang, Hu Sheng, Qian Zhengying, Su Fuling, Henry Ying-tung Fok, Ma Man-kei, Zhu Guangya, and Wan Guoquan; and Zhu Xun, secretary general, attended the session.

CPPCC Members Hail Decision

OW0810141694 Beijing XINHUA in English 1327
GMT 8 Oct 94

[FBIS Transcribed Text] Beijing, October 8 (XINHUA)—Members of the Standing Committee of the Chinese People's Political Consultative Conference (CPPCC) today hailed the latest decision by the Communist Party as "very timely and very necessary".

The Fourth Plenary Session of the 14th Central Committee of the Communist Party of China (CPC) held in late September passed a decision on strengthening party building.

The CPPCC Standing Committee also held a plenary session over the past three days during which the CPC's decision has been a major topic.

The participants to the session, which closed today in Beijing, made many suggestions for enhancing the building of the Chinese Communist Party.

Li Ruihuan, chairman of the Standing Committee of the CPPCC, attended today's meeting which was presided over by Vice-Chairman Ye Xuanping.

The CPPCC members expressed the hope of seeing more forceful and resolute steps from the CPC to carry out the decision.

Wu Cangping, member of the CPPCC Standing Committee, said that this is for the first time that the CPPCC gathered specially to discuss the issues on the Communist Party construction.

The Standing Committee members also expressed their worries about the increasing malpractices in society which involve party members and some leading officials.

Some members believed that what is the most important in party building is the construction of its organizations, indicating that the behavior of some party members has harmed the party's prestige among the masses.

Cheng Lianchang, also member of the Standing Committee of the CPPCC, suggested that the regulations concerning the state civil servants be extended to the whole personnel system including the selection of cadres.

They also urged the Communist Party to strengthen the democratic supervision over the corruption within the party.

RENMIN RIBAO on 'Decision'

OW0810141394 Beijing XINHUA Domestic Service in Chinese 1057 GMT 8 Oct 94

[Text] of RENMIN RIBAO "commentator's article" for 8 October: "The Purpose of Study Is Solely for Implementation—Another Discussion on Earnestly Studying and Implementing the 'Decision' of the Fourth Plenary Session of the 14th CPC Central Committee"]

[FBIS Translated Text] Beijing, 8 Oct (XINHUA)—The "CPC Central Committee Decision Concerning Some Major Issues on Strengthening Party Building," adopted at the Fourth Plenary Session of the 14th CPC Central Committee, was published in full yesterday.

The party Central Committee decided to publish this important decision in its entirety soon after the close of the Fourth Plenary Session. This is because, first, it is conducive to the timely study of the document from beginning to end by all party comrades; second, it helps party organizations at all levels to quickly unite their thinking and understanding and bring them in line with the guidelines of the central "Decision"; and third, it also provides specific standards and basis for the vast numbers of cadres and masses inside and outside the party to examine and measure the building of party organizations at various levels, especially at the level of

organizational building. Party organizations at all levels must lose no time in studying the "Decision" and, more importantly, in working real hard to implement the various tasks put forth in the "Decision." The purpose of study is solely for implementation, and the significance of study also lies in implementation.

The Fourth Plenary Session "Decision" is a programmatic document for strengthening party building in the new situation. It will certainly create a major and far-reaching impact on raising the party's standards in leadership and ruling the country and on pushing forward reform, opening up, and socialist modernization. The three tasks for the party's organizational building forwarded in the "Decision" are of extremely great importance to strengthening party building. Democratic centralism is our party's fundamental organizational and leadership system, a scientific, rational, and efficient system. The party's grass-roots organizations shoulder the important responsibility of maintaining direct links with the masses; spreading propaganda among them; organizing and uniting them; and implementing the party's line, principles, and policies down to the grass-roots. They are the foundation of all party work and its fighting capacity. Whether or not leading cadres at all levels can unwaveringly implement the party's basic line, take the road of building socialism with Chinese characteristics, and serve the people wholeheartedly; and whether or not they possess the ability to lead the modernization drive are major issues of overall importance having a bearing on the future and destiny of the party and state. The "Decision" prominently forwards these three tasks not simply because they are very important in terms of principle; but more importantly because in the party's current organizational building, all sorts of deficiencies or problems still exist in these three aspects. These deficiencies or problems, if not earnestly resolved through feasible measures, are bound to hamper the party in increasing its cohesion and fighting capacity and obstruct it from leading the great cause of building socialism with Chinese characteristics to victory. Therefore, suffice it to say, the three tasks are the scientific summing-up of historical experience, a pressing demand for achieving development, and, moreover, an important guarantee for a brilliant future.

In accordance with the "Decision's" demands and on the basis of earnestly studying well the document, party organizations at all levels must summarize and inspect self-construction with a solemn and responsible attitude. They should affirm achievements as well as squarely face existing problems. They should set forth disparities and problems in party building, particularly in organization and construction. Further, party organizations should conduct in-depth analysis on causes of disparities and problems and formulate measures, establish systems, and forward ways to overcome the disparities and solve the problems. We must quickly solve problems that can be solved quickly and set deadlines for solving problems when essential. We must formulate plans and determine the direction of our efforts to create conditions for

solving problems that cannot be solved at the moment. Party committees at all levels must do a good job in self-examination and implementation as well as strengthen their supervision and inspection over subordinate party organizations. Party organizations at one level must oversee and supervise a lower level so that the "Decision" is completely implemented at every level. In short, when implementing the "Decision" guidelines, the task is not accomplished by simply reading the document and making statements. Action must be taken for practical results.

Building our party into a Marxist political party that arms itself with the theory of building socialism with Chinese characteristics; serves the people wholeheartedly; is totally consolidated in ideology, politics, and organization; can withstand various risks; and always walks in the forefront of the times is a great project that was collectively initiated by second-generation central leaders with Comrade Deng Xiaoping as the core. The third-generation central leaders, with Comrade Jiang Zemin at the core, continuously and collectively lead forward the project. Just as in accomplishing other great projects, empty talk will not help in realizing such a great project. The only correct and effective attitude is to engage less in empty talk, do more practical work, work in a down-to-earth manner, and struggle arduously. The times demand that we work like this and the people hope we will do so. We must not fail the great trust of the times. We can definitely fulfill this great trust. We must not fail the people's expectations. We can definitely meet their expectations.

Commission Drafts National Social Development Plan

HK1010054894 Beijing CHINA DAILY in English 8 Oct 94 p 1

[By Xie Liangjun: "Plan Aims To Further Society, Economy"]

[FBIS Transcribed Text] China is drafting a national social development programme to balance, harmonize, and sustain both economic growth and social progress.

The National Programme for Social Development package will administer strategic objectives and policy directions for China's social development over the next 15 years, according to State Planning Commission sources.

The State Council plans to hold a national conference later this year to discuss revisions in the programme and prepare it in time for the World Summit for Social Development to be held in Copenhagen in March 1995.

The announcements about the programme were made during the International Symposium on Social Development which opened yesterday in Beijing and continues through Sunday.

The China Preparatory Committee for the World Summit for Social Development, the United Nations Development Programme (UNDP), and UN Secretariat of the World Summit for Social Development, are sponsoring the symposium.

It is one of the most important activities launched by the Chinese Government in preparation for the world summit.

More than 70 experts, officials, and representatives from 16 countries and regions, as well as 12 international organizations, are taking part in the symposium.

Vice-Premier Li Lanqing said at the opening of the symposium that the government has attached great importance to overall social progress while promoting economic development. He added that in the past 15 years of reform and opening up, remarkable achievements have been made in social development.

China has succeeded in relying on 7 per cent of the world's farmland to support 22 per cent of the world population, Li said.

The country's average life expectancy has reached 70 years. The illiteracy rate among the young and middle-aged has dropped to 7 per cent.

Joblessness in cities and towns is under 2-3 per cent. The number of rural poor has dropped to 80 million from 250 million in 1978.

However, Li also noted many problems in social development still exist. Those include disparities among economic development, population, resources and environment, imbalances of regional economic and social developments, and an inadequate social security system.

He called upon the United Nations and other international organizations to increase exchanges and cooperation with China in the field.

At the symposium Arthur Holcombe, UNDP resident representative to China, praised the country's progress in social development.

He said that China has achieved remarkable success with its education-for-all and health-for-all efforts given its relatively low per capita income base and very large population.

Even more impressive are World Bank estimates that China has reduced the numbers of its absolute poor from one-third of the total population in 1979 to about one-tenth in 1985.

Court Issues Circular on Improving IPR Protection

OW0910081394 Beijing XINHUA Domestic Service in Chinese 1049 GMT 6 Oct 94

[By correspondent Zhou Dewei (0719 1795 0251)]

[FBIS Translated Text] Beijing, 6 Oct (XINHUA)—The Supreme People's Court recently issued a circular urging people's courts at all levels, military courts, and special courts to further strengthen the judicial protection of intellectual property rights [IPR], and to ensure the implementation of IPR-related laws and regulations.

The circular asked courts at all levels to further expand the ranks of judicial personnel and improve judicial organizations. An appropriate number of judges with experience in judicial administration should be selected. Special attention should be paid to selecting people who have studied science and engineering or have a knowledge of foreign languages to take part in the trials of IPR-related cases. If necessary, collegiate benches specializing in trying IPR-related cases should be set up. Provided that they meet the requirements, intermediate and higher courts in large and medium-sized cities with a sizable number of IPR-related cases may set up IPR tribunals as venues where the trials of IPR-related cases are concentrated so as to ensure the speedy and equitable handling of such cases.

After clarifying the question of jurisdiction over civil and administrative cases involving various IPR infringements, the circular noted: People's courts at all levels should promptly handle civil and administrative cases involving IPR infringements, firmly resist local and departmental protectionism, strictly enforce laws and regulations on IPR protection, and protect the legitimate rights and interests of the parties concerned in accordance with the law.

The circular urged people's courts to accord full, equal, and timely protection to the legitimate rights and interests of the parties concerned, and severely punish various illegal acts involving IPR infringements, in strict accordance with such PRC laws and regulations as the Trademark Law, the Patent Law, the Law on Technical Contracts, the Copyright Law, and the Law Against Unfair Competition, as well as IPR-related international treaties which China has joined or concluded, in the course of trying IPR-related cases. In the event of torts warranting civil action, they may give the persons who commit the acts due punishment in accordance with the law, by confiscating illegal proceeds, imposing fines, or placing the offenders in detention, in light of the specific circumstances of the cases, in addition to mandating, in accordance with the law, the infringing parties to undertake such civil obligations as stopping their acts of infringement, eliminating the effects of their acts, offering apologies, and making compensation for losses. Except for cases that gravely jeopardize social order and national interests, people's courts may directly accept criminal cases, in which the National People's Congress Standing Committee's "Decision on Punishing Crimes Involving Copyright Infringements" is violated, provided the aggrieved parties institute legal proceedings directly with the people's courts. Relevant people involved in criminal cases where registered trademarks or other people's patents are counterfeited should be

investigated on criminal grounds in accordance with the law; those who steal important technological findings should likewise be investigated on charges of theft.

The circular urged people's courts at all levels to seriously study and research IPR-related science and technology, laws and regulations on IPR protection, and IPR-related international treaties which China has joined or concluded. They should also pay attention to summing up their experiences in trying IPR-related cases and to improving the judicial protection of IPR. Besides trying cases, they should step up publicity and education efforts, and select some typical cases to publicize IPR-related laws and regulations, promote legal awareness about IPR protection, and foster a greater sense in all sectors of society about IPR protection and the legal system through public sentencing, news media, and other means.

List of Leaders Sending National Day Greetings

OW0710121194 Beijing XINHUA Domestic Service in Chinese 1405 GMT 5 Oct 94

[FBIS Translated Text] Beijing, 5 Oct (XINHUA)—In recent days, heads of state and government leaders of some countries, as well as leaders of some organizations, sent congratulatory cables and letters to Jiang Zemin, general secretary of the CPC Central Committee and state president; Premier Li Peng; and the Chinese People's Political Consultative Conference, on the occasion of the PRC's 45th founding anniversary.

Those who sent National Day congratulatory cables to President Jiang Zemin and Premier Li Peng are:

Mongolian President Punsalmaagiyn Ochirbat

Mongolian Prime Minister Puntsagiyn Jasray

Leaders who sent National Day congratulatory cables to General Secretary and President Jiang Zemin:

Palestine President 'Arafat

Those who sent National Day congratulatory cables (letters) to President Jiang Zemin are:

Albanian President Berisha

Botswana President Masire

Cameroonian President Biya

Comoran President Djohar

Cypriot President Kleridhis

Afar President Gouled

Equatorial Guinean President Obiang

Gabonese President Bongo

Ghanaian President Rawlings

Guinean President Conte

Guyanese President Jagan

Lebanese President al-Hirawi

Luxembourg Grand Duke Jean

Malian President Konare

Maltese President Bonnici

Moroccan King Hassan II

Nepalese King Birendra

Nigerian Head of State Abacha

Peruvian President Fujimori

Philippine President Ramos

Qatari Amir Khalifah

Saudi King Fahd

Spanish King Carlos

Thai King Adunyadet Phumiphon

Trinidadian and Tobagan President Hassanali

Turkish President Demirel

Uruguayan President Lacalle

Zimbabwean President Mugabe

Hamad, Deputy Qatari Amir and Crown Prince

Endiyaye, President of the African Development Bank Group [name as transliterated]

Those who sent National Day congratulatory cables to Premier Li Peng are:

Albanian Prime Minister Meksi

Barbadian Prime Minister (?Arthur)

Saad, Kuwaiti Crown Prince and Prime Minister

Syrian Prime Minister al-Zu'bi

Vanuatu Prime Minister Carlot

Namelist of organization that sent National Day congratulatory cable to the Chinese People's Political Consultative Conference:

The Secretariat of the Central Committee of the DPRK Democratic Front for the Reunification of the Fatherland

'Good' Public Order Prevails During National Day

OW0810053694 Beijing XINHUA Domestic Service in Chinese 0224 GMT 6 Oct 94

[FBIS Translated Text] Beijing, 6 Oct (XINHUA)—Reporters have learned from the Public Security Ministry that during this year's National Day period, people across the country spent a quiet and peaceful holiday as

good public order prevailed throughout the country and festivities were held without incident.

In carrying out security operations during the National Day period, public security organs and armed police troops in all localities tightened control over public order, increased patrols, and rigorously inspected safety facilities for various festivities in accordance with the Public Security Ministry's unified arrangements and requirements. Hundreds of thousands of public security cadres and policemen, armed police officers and men, and security cadres gave up the chance of getting together with their families as they remained on duty day and night to ensure that National Day festivities would be staged without incident and that people would enjoy safety. In Beijing Municipality alone, more than 60,000 policemen were mobilized during the holiday to ensure that festivities would be staged without incident in the capital city. Nationwide, no major criminal cases occurred during the holiday.

Spokesman Says Deng Xiaoping 'In Very Good Health'

HK0810084094 Hong Kong AFP in English 1000 GMT
7 Oct 94

[FBIS Transcribed Text] Shanghai, Oct 7 (AFP)—The Shanghai share market rebounded 28 percent from its intra-day low to finish sharply above Thursday's closing level on reports denying rumours that Deng Xiaoping was ill, brokers said Friday.

The composite index closed at 738.02 points, up 12 percent from Thursday after plunging to 546.88 points in early afternoon trading, brokers said.

The rumours which have plagued the market for weeks drove the market down from the opening bell as nervous investors unloaded their shares.

Turnover more than doubled to 734 million shares valued at 5.15 billion yuan (605 million dollars).

"The market recovered in the afternoon after there were reports that the ministry of foreign affairs had denied rumours of Deng's health problems. We think this information reassured investors," a foreign broker said.

"Around two o'clock it was almost the same level as yesterday's close. There were more sharp gains towards the close but in the last 10 minutes the market went down a bit," he said.

A Chinese Foreign Ministry spokesman dismissed the rumours concerning Deng's health as groundless.

"Deng Xiaoping is in very good health. Don't believe these rumours," the spokesman said.

Persistent rumours in recent weeks that Deng, China's 90-year-old paramount leader, was dead or dying had contributed to the Shanghai market's weakness.

In another sign that the rumours were premature, the Wen Hui daily reported Thursday that Deng's artist daughter Deng Lin was holding an exhibition of her paintings in Paris.

Deng's children would almost certainly return to China from foreign trips if their father was dead or in critical condition, analysts said.

Another Western broker said another rumour being spread in the afternoon about the death of Chen Yun, a conservative who favours central planning, aided the market recovery.

A Shanghai Guotai broker said the market had lost its reason.

"It appears that 546 points was the bottom of the market. If there are no good news at the weekend, I expect the market to fall back to 550 points next week. If there are no bad news, then those who went in today will remain in the market," he said.

Brokers said apart from Deng's state of health, other factors had contributed to weak sentiment and the previous four days' of consecutive falls.

An announcement at the weekend that the stock exchange would abolish its T+0 system where shares can be bought and sold the same day caused prices to plummet Wednesday when it reopened after a long holiday to celebrate China's national day.

The market is to implement a T+1 system from January which allows for next day transactions.

Other factors weighing down the market include the China Regulatory Commission's reform package announced July 30 which had yet to materialise.

The package, including plans to allow foreigners to buy stocks restricted currently to Chinese investors through joint-venture funds and the opening of a 1.5 billion dollar line of credit to the country's major securities houses.

The announcement triggered a sharp rally in August and September.

The composite index is now some 300 points below this year's peak of 1,033.47 points when the market closed on September 13.

A Western broker said that market fundamentals would justify a fall to 400 to 500 points.

Jiang Zemin Meets Confucius Symposium Attendees

OW0710123294 Beijing XINHUA in English 1150
GMT 7 Oct 94

[FBIS Transcribed Text] Beijing, October 7 (XINHUA)—Chinese President Jiang Zemin met with

scholars attending the international symposium commemorating the 2545th anniversary of Confucius' birthday in the Great Hall of the People here today.

Jiang congratulated on the success of the four-day symposium which opened here Wednesday [5 October] and posed for a picture with them.

The symposium, attended by scholars from 30 countries and regions, is entitled "Historic Perspective and Confucianism Studies in the 21st Century."

During the symposium, which was sponsored by China Confucius Foundation, the International Confucian Federation was set up to sum up Confucianism in a systematic way and make the traditional culture serve China's civilization.

Peng Zhen Urges Discipline for Senior Cadres' Children

*HK1010082394 Hong Kong CHING PAO in Chinese
No 10, 5 Oct 94 p 55*

[By Chen Chieh-hung (7115 3381 1738): "Peng Zhen Again Speaks About Strictly Educating the Sons and Daughters of Senior Cadres"]

[FBIS Translated Text] News from Beijing: CPC Elder Statesman Peng Zhen has repeatedly asserted that the sons and daughters of senior cadres should be self-disciplined and should be subject to rigorous discipline and education. When once again holding a discussion meeting with a number of sons and daughters of senior cadres in early September, Peng Zhen discussed three issues with them. 1) You should regard yourselves as part of the people and should not have any sense of superiority; 2) You should set an example and inherit the fine traditions of the people of the older generation; and 3) You should pursue the lofty ideal of struggling for the realization of the four modernizations. Present at the discussion meeting were Deng Lin, Chen Yuan, He Pengfei, Yang Shaoming, Nie Li, and the sons and daughters of Bo Yibo, Zhang Aiping, and Zhang Zhen. These sons and daughters of the CPC elder statesmen and generals are in their forties and most of them are cadres at the bureau level and above or military officers with the rank of major general.

Peng Zhen Urges A Correct Approach Toward Criticism

Peng Zhen said: It is completely natural for outside people to pay close attention to what the sons and daughters of senior cadres say and do. In society today there is a tendency to criticize the sons and daughters of senior cadres. Overall, it does not seem that the tendency is being encouraged to stir up trouble, and we should approach it correctly. The sons and daughters of senior cadres are mostly Communist Party members and state cadres and some are senior cadres. Criticism and supervision by the people should be allowed. We should realize that we are part of the people and should make

contributions to the people's cause. Therefore, we should not only set a example and do our work in a diligent and down-to-earth way but should also do some propaganda and education work along with the party. The current party style and ethical mood of society are poor. We are all responsible for this state of affairs.

Peng Zhen Bitterly and Sternly Denounces Unworthy Descendants

Peng Zhen sternly denounced some sons and daughters of senior cadres for being corrupt economically and ethically, getting involved in activities which damage the prestige of the country, and even working for foreign political institutions, thus committing crimes. He said: In the past, by stressing that they formed a minority, we have failed to promptly and properly deal with some cadres, in particular, some sons and daughters of senior cadres who have sought privileges and have engaged in corrupt practices, with harmful effect. What is called a minority? Two or three percent of the population constitutes a minority, as does three or four per thousand of the population. Such a minority does have a great impact, however. Those who violate laws and discipline and ought to be dealt with according to law must be punished by law, and their punishments should be made public. Those who interfere in the handling of the cases of lawbreakers and intercede on their behalf must be opposed, sternly criticized, and, in serious cases, must be expelled from the party without leniency.

Peng Zhen went on to say: We should be strict in handling the promotions of the sons and daughters of senior cadres and should more frequently heed the opinions of the departments concerned. Others should be promoted first if their conditions are the same. We should be particularly strict with the sons and daughters of senior cadres whose parents are still living and in good health or who hold leading posts in party and government organizations. The communists should serve the people wholeheartedly and struggle for the cause of the motherland rather than act as the high and mighty official.

Peng Zhen Praises Liu Yuan and Deng Pufang

At the meeting, Peng Zhen praised Liu Yuan, son of Liu Shaoqi, Deng Pufang, son of Deng Xiaoping, and the sons and daughters of Liu Huqing, vice chairman of the Military Commission of the CPC Central Committee, Wan Li, former chairman of the Standing Committee of the National People's Congress, and Song Ping, former Standing Committee member of the Political Bureau of the CPC Central Committee. He said: Liu Yuan was transferred from the grass-roots people's commune to the provincial government and then to the central armed police troops. The people where he worked all praised him and were reluctant to let him leave. Deng Pufang struggles valiantly against his own illness everyday. His doctor has advised him to work no more than 4 hours a day, but he works 10 hours a day and even works on holidays. Since his graduation from military academy,

the son of Liu Huaqing has worked in a border district in Xinjiang for 10 years. He is now the commander of a certain division. In 1988, 1990, and last year, he was offered transfers to the Beijing Garrison Command and the Ministry of National Defense three times, but the offers were turned down because of Liu Huaqing's disapproval. Liu Huaqing said: Since wherever you live, you must work, let him work in the border district.

CPC Elder Peng Zhen Inspects Expressways in Beijing

HK1110103494 Beijing ZHONGGUO XINWEN SHE
in Chinese 1347 GMT 9 Oct 94

[By reporter Xu Hong (1776 3126): "Peng Zhen Inspects City Expressway Project in Beijing"]

[FBIS Translated Text] Beijing, 9 Oct (ZHONGGUO XINWEN SHE)—Peng Zhen, one of the CPC elders, made an appearance in Beijing yesterday. He inspected the newly-completed Northwest Third Ring Road City Expressway and the airport expressway. As the former mayor, he praised his successors: "You have done better than I! Beijing has changed too much!"

According to Beijing Mayor Li Qiyan and Executive Vice Mayor Zhang Baifa, who accompanied him on the inspection tour, 92-year-old Peng Zhen looked sprightly, demonstrated clear thinking, and was quick to respond. One could see from the program aired by the Beijing Television Station earlier this year that, despite his difficulties in walking and the fact that he has been confined to a wheelchair, the old man was healthy, his face glowed with health, and he talked cheerfully and with humor.

Li Qiyan gave reported to Peng Zhen on Beijing's urban development in recent years. They then rode on the Northwest Third Ring Road Expressway in a small van, passed the Sanyuan Bridge and the Siyuan Bridge, and came to the airport expressway. At the highest point on the Siyuan Bridge, Peng Zhen cheerfully got off the van, looked around, and praised the city: "Well done! Splendid, magnificent, and practical!" He sighed with emotion: "In the past, it took more than 40 minutes to get to the airport from the city. Now it only takes a dozen minutes. What economic returns have accrued!"

All along the way, Peng Zhen cheerfully chatted with Li Qiyan and Zhang Baifa. Their topics ranged from urban development to the city's economic development and from curbing price hikes to further improving the people's standard of living. The former mayor's concern for Beijing was evident in his comments.

He imparted his experiences to his successors, saying: "In the year when we entered the city, Chairman Mao admonished me that, as the mayor of Beijing, I should talk less and do more." He also said: "As mayor, you must be motivated, rely on yourself, have boundless energy, and catch up when you are behind. Only when you are motivated can the masses be motivated."

Minister Views Exchanges of Foreign Experts

HK1010065494 Beijing CHINA DAILY in English 10 Oct 94 p 1

[By Xu Yang: "Dialogues Rejuvenate Social Views"]

[FBIS Transcribed Text] The exchange of views with foreign experts provides useful reference when China strives to sustain balanced economic and social development, a senior Chinese official said yesterday in Beijing.

China needs to widen its co-operations with other countries to solve social development problems that arise, said Chen Jinhua, Minister of the State Planning Commission.

Chen addressed the conclusion of the three-day Beijing International Symposium on Social Development yesterday.

Chen remarked in his speech that elevating people's material and spiritual lives in China will contribute greatly to the country and to world civilization in the upcoming century. Chen said the symposium provided good advice for China's preparations for the summit meeting to be held in Copenhagen.

After heated debates and discussion, more than 70 experts and officials from 15 countries and international organizations reached some common ground.

Arthur N. Holcombe, UNDP's representative in China, summarized many participants' view that the Chinese Government "had many excellent social development programmes in place."

But experts also warned that the highly competitive market economy in China may exacerbate unemployment, one of the main causes of poverty.

They agreed that strong government intervention may help to ensure continued improvement of social conditions and stability.

Peng Peiyun: Balance Between Population, Economic Growth

OW1110005494 Beijing XINHUA in English 1829
GMT 10 Oct 94

[FBIS Transcribed Text] Chengdu, October 10 (XINHUA)—A state councillor today stressed the importance of keeping balance between population growth and economic development at the level of cities and counties, which she said play a vital role in easing China's population pressure.

Peng Peiyun, also minister in charge of the State Family Planning Commission, made the remarks in addressing a symposium on population, which closed here in southwest China's Sichuan Province.

The official noted that population problem is a tough nut to crack in rural areas, where live 90 percent of the country's population.

As a way to achieve a balance between the growing population and economic and social progress, she called on grassroots officials to carry out effective measures suited to local conditions.

Peng said that in populous and backward areas, population control should always be on top of the agenda, while economically developed regions should focus on improving people's educational quality.

The five-day meeting drew family planning officials and population experts from 17 provinces from across the country.

Qian Qichen's Festive Greetings to United Front Workers

HK0710145194 Beijing ZHONGGUO XINWEN SHE in Chinese 1340 GMT 16 Sep 94

[FBIS Translated Text] Beijing, 16 Sep (ZHONGGUO XINWEN SHE)—At a reception held this evening for State Council counsellors and for researchers of the CPC Central Research Institute of Culture and History to celebrate the Mid-Autumn Festival and the National Day, Qian Qichen, member of the CPC Central Committee Political Bureau and vice premier of the State Council, said: On the eve of the Mid-Autumn Festival, we wish Taiwan, Hong Kong, and Macao compatriots, and overseas Chinese a happy festival! The Chinese nationals are a great and wise people, and I believe that through joint efforts we eventually will achieve the unification of the motherland.

This evening, the CPC Central Committee United Front Work Department and State Council General Office held a reception at a guest house in the capital for State Council counsellors and for researchers of the CPC Central Research Institute of Culture and History to welcome the Mid-Autumn Festival and National Day.

Vice Premier Qian Qichen gave his regards to the counsellors and researchers, and wished them well on behalf of the Central United Front Work Department and the State Council General Office. In his congratulatory speech, Qian said: The smooth progress of work in reform, opening up, and economic construction was a result of the unity and cooperation between the CPC and various democratic parties and nonpartisan patriots. He said: The multiparty cooperation and political consultative system under the CPC's leadership are part of China's basic political structure. The patriotic united front under CPC leadership remains one of the effective methods for building socialism with Chinese characteristics. He stated that he hoped everyone would continue to work together, struggle arduously and continuously to break new ground in China's economic construction and social development, in the spirit of "long-term coexistence, mutual supervision, showing complete attention to one another, and sharing weal and woe. He said: Counsellors and researchers, heedless of their advanced ages, have done a great deal of work for their motherland's

economic and cultural undertakings and its peaceful unification. Here I give them my warmest regards and heartfelt gratitude!

State Council counsellors Lin Hongci and Wang Bingchen, Central Research Institute of Culture and History researcher Wang Shixiang, and others spoke at the party. Counsellors and researchers recited poems, sang songs, and enjoyed a festive atmosphere.

Lu Junfeng, deputy director of the office of the State Administration of Industry and Commerce and a newly appointed State Council counsellor; Wang Shixiang, researcher of the State Cultural Relics Bureau Research Institute; Lin Jie, People's Art Publishing House top-class painter; and Zhang ShiJian, professor of the Central College of Arts and Crafts—all of them newly appointed researchers of the Central Research Institute of Culture and History—also attended the party.

The reception was hosted by Wang Zhaoguo, head of the Central United Front Work Department; Cheng Siyuan, vice chairman of the National People's Congress Standing Committee; and Hu Sheng, vice chairman of the Chinese People's Political Consultative Conference; attended the evening's party.

Qian Qichen Congratulates Publication's Anniversary

HK1110010294 Beijing RENMIN RIBAO in Chinese 14 Sep 94 p 3

[Article by Qian Qichen (6929 0366 3819): "Congratulations on 60th Anniversary of the Publication of SHIJIE ZHISHI"]

[FBIS Translated Text] The semimonthly SHIJIE ZHISHI [WORLD KNOWLEDGE] and Shijie Zhishi Publisher celebrate their 60th anniversary on 16 September. Sixty years ago, Comrade Hu Yuzhi [5170 1937 0037] wrote the following words for the first issue of SHIJIE ZHISHI: "Blessing to this little thing! It will help you understand the world! On the way to 'the world's China,' it will contribute a bit of strength." Helping readers to understand the world has been the consistent purpose of this journal and this publisher for 60 years.

When the semimonthly SHIJIE ZHISHI and the publisher were founded 60 years ago, China was at a dangerous moment, facing domestic trouble and foreign invasion. The country's territorial sovereignty was infringed and trampled upon, the existence of the nation was in crisis, and the people were in an abyss of misery. In that time, helping readers to understand the world promoted the resistance against the Japanese, for saving the country, and served the great struggle for liberation of the Chinese people. That was the lofty goal when they, the older generation of revolutionaries, people in cultural circles, and experts on international problems founded SHIJIE ZHISHI.

Today's China is very different from the one 60 years ago. The victory in the revolution has ended China's sorrowful history in which the Chinese people suffered from foreign invasion and oppression at home. The rapid changes in economic construction, and the gradual deepening and expansion of the reform have tremendously transformed China's backward and poor appearance. At present, helping readers to understand the world promotes reform and opening up and serves the great undertaking of building socialism with Chinese characteristics. And this is the glorious mission for the semi-monthly SHIJIE ZHISHI and Shijie Zhishi Publisher in the contemporary era.

After 60 years of winds and rains and after the consistent efforts by several generations, that "little thing" has developed and grown strong. SHIJIE ZHISHI has contributed "a bit of strength" to the birth and growth of New China; it will certainly become more vigorous and developed along with the increasing prosperity of New China.

Former NPC Chairman Wan Li Given Honorary Doctorate

OW0710164894 Beijing XINHUA in English 1442
GMT 7 Oct 94

[FBIS Transcribed Text] Nanjing, October 7 (XINHUA)—A ceremony to bestow on Wan Li, former chairman of the Standing Committee of the National People's Congress (NPC), an honorary doctorate degree in human letters from U.S. Johns Hopkins University was held here today.

Speaking at the ceremony, which was held at the Center for Chinese and American Studies in east China's Nanjing University, Wan Li said that the degree he got today was not only the honor for himself, but also a sign of friendship between the Chinese and American peoples.

He noted that China and U.S. should strengthen their co-operation not only in economy and trade, but also in culture and education.

Sino-U.S. non-official contacts and their friendly exchange in economy, especially in culture and education, would play positive roles in promoting the mutual understanding and friendship between the two countries, Wan added.

William C. Richardson, president of the Johns Hopkins University, said that the honorary doctorate degree conferred to Wan Li was to praise him for his dedication to the Chinese people.

In the citation in presenting Wan Li for the degree of Doctor of Human Letters, Chih-yung Chien, a professor of the Johns Hopkins University, said that as a revolutionary, statesman and educationist, Wan Li devoted himself to improving the people's livelihood in the world's most populous country.

Wan's vision, courage and dedication have helped bring the life of a billion citizens of the world a big step forward, the citation said.

This is the third time for Wan Li to accept honorary doctorate degrees from foreign universities.

NPC Team Inspects Enforcement of Laws in Henan

OW0910103794 Beijing XINHUA Domestic Service in Chinese 1445 GMT 7 Oct 94

[By Central People's Broadcasting Station reporter Xin Ruji (6580 1172 6068) and XINHUA reporter Fu Gang (0265 0474)]

[FBIS Translated Text] Zhengzhou, 7 Oct (XINHUA)—A National People's Congress [NPC] Standing Committee inspection team arrived in Zhengzhou today to begin inspecting the enforcement of the "Unfair Competition Law," the "Protection of Consumers' Rights and Interests Law," the "Product Quality Law," and the "Decision on Punishing Crimes of Producing and Selling Fake and Shoddy Goods" in Henan Province.

This afternoon, the Henan People's Congress Standing Committee, Provincial Higher People's Court, and Provincial People's Procuratorate gave a briefing on the enforcement of the above-mentioned laws and decision. Ni Zhifu, NPC Standing Committee vice chairman, made a special trip to Henan to listen to the briefing and delivered a speech. He said: Inspecting the enforcement of these laws and decision is one of the major tasks of the NPC Standing Committee's inspection of law enforcement in the second half of this year. The NPC formulated quite a number of laws in recent years, and local people's congresses at all levels also formulated many laws and regulations. However, legislation itself is not our purpose. If laws are not enforced in earnest, they would lose their functions. Therefore, we must attach equal importance to the formulation of laws and their supervision and inspection after they are formulated.

Ni Zhifu said: The NPC and its Standing Committee shoulder an important responsibility for inspecting and supervising law enforcement. They must conscientiously do a good job of exercising the supervision right vested in them by the Constitution and laws and resolutely correct the phenomena of not fully observing or strictly enforcing laws or turning a blind eye to violations, so as to protect and promote the healthy development of socialist modernization along the orbit of a legal system.

Ni Zhifu said: Judging from the situation in some areas, we can see that a number of problems exist though the enforcement of the above-mentioned laws and decision has produced some results. Some of these problems are quite serious. Particularly, fake and shoddy goods in the circulation sector account for a considerable percentage of these problems; a relatively low percentage of commodities on the market are up to standard. Usually, these problems were not looked into and dealt with in a

timely manner due to local protectionism and various other reasons. Under the circumstances, it is very necessary for us to strengthen inspection and supervision of the enforcement of relevant laws, so as to better standardize market behavior, maintain social and economic order, and protect the legitimate rights and interests of the parties involved in economic activities and, in particular, the masses of the people. The supervision and inspection of the enforcement of the above-mentioned laws and decision is a long-term task. We must make unremitting efforts and emphasize practical results.

Beginning tomorrow, the inspection team will inspect the cities of Zhengzhou, Jiaozuo, and Luoyang.

NPC Group Inspects Guangdong Law Enforcement

SK0810112094 Beijing XINHUA Domestic Service in Chinese 1904 GMT 5 Oct 94

[FBIS Translated Text] Beijing, 6 Oct (XINHUA)—Recently, the group for inspecting the enforcement of "three laws and a decision" under the Standing Committee of the National People's Congress [NPC], headed by Cai Cheng, vice chairman of the law committee under the NPC, inspected Guangdong Province's Guangzhou, Heshan, and Shenzhen cities' situation in implementing the "Product Quality Law," the "Law on Protecting the Rights and Interests of Consumers," the "Law Against Improper Competition," and the "NPC Standing Committee's decision on sternly punishing those guilty of producing and marketing fake and inferior-quality commodities." The inspection group maintained that over the past year, Guangdong Province has done a lot of work in implementing "three laws and a decision" and has made preliminary achievements in attacking fake and inferior-quality commodities. However, the situation is still considerably grim and allows no optimism.

Since the implementation of "three laws and a decision," Guangdong Province has vigorously strengthened the propaganda. Simultaneously, the governments at various levels have strengthened the law enforcement forces of technological supervision and industrial and commercial departments and also offered outlays and manpower to these departments. The provincial people's congress and government leaders personally led groups to go deep to shops and plants to inspect the law enforcement situation. Technological supervision, industrial and commercial, public health, and some other departments concerned have made concerted efforts to conduct regular, sudden and violent, and special inspections and have made appropriate achievements.

Over the past year or so, Guangdong Province has checked fake and inferior-quality commodities to a proper extent, and the product qualification rate has risen. A sample survey on 911 enterprises and 1,834 categories of products in Guangdong Province showed that in the first half of this year, the batch qualification rate reached 93.8 percent, much higher than that in the

past. In 1993, the product qualification rate of the production enterprises in Shenzhen city was 82.58 percent, three percentage point higher than that of the previous year. The market commodity qualification rate was higher than that of 1992 by five percentage point. Over the past one year or so, Guangdong Province has accepted more than 30,000 cases of complaints by consumers, handled more than 98 percent of them, and retrieved more than 18 million yuan of economic losses for consumers.

It was brought up that the fake and inferior-quality commodities still account for a quite proportion in Guangdong Province's circulation sphere. They mainly include medicines, foodstuffs, low-pressure electric equipment, and video and audio products. A sample inspection showed that in the first half of this year, unqualified medicine rate increased by 4.51 percent over the same period of last year. Of this, the qualification rate of medicinal herbs and already prepared traditionally Chinese medicines was only 46 percent and 68 percent. The qualification rate of the medicines purchased by hospitals was only 55 percent. According to the analysis by the public health departments, the reasons were that some state-owned medicine management enterprises assigned the sales of medicines to individual dealers and that country fair trade markets unlawfully managed already prepared Chinese and Western medicines.

It is reported that there are still problems of violating laws, replacing penalty by fines, and not strictly enforcing laws. Various localities in Guangdong Province generally reflect that local protectionism more seriously exists and they fail to effectively investigate and handle the problems in this regard. Some major cases are investigated and handled not in a timely manner. Besides, consumers do not have strong awareness of self-protection or are unable to consciously apply the legal weapon to protect their own legal rights and interests. Some law enforcers have not done enough to study "three laws and a decision" as well as some relevant laws. Thus, law enforcers' quality should further be improved.

Report on Leaders' Activities 30 Sep-6 Oct

OW0710080894

[FBIS Editorial Report] PRC media monitored by Okinawa Bureau from 30 September to 6 October carried the following reports on PRC central leadership activities. The source is noted in parentheses after each report.

Ni Zhifu Inscribes for Shanghai Model Workers' Exhibition—On 21 September, an exhibition on deeds of 129 Shanghai Model Workers opened in Shanghai. The exhibition displayed an inscription written by Jiang Zemin some time ago. Ni Zhifu, vice chairman of the National People's Congress Standing Committee, and Huang Ju, Shanghai Municipal CPC Committee deputy secretary

and Shanghai mayor, respectively inscribed for the exhibition. (Shanghai JIEFANG RIBAO in Chinese 22 Sep 94)

Ren Jianxin, Luo Gan Meet Public Security Models—On the morning of 1 October, comrades Ren Jianxin and Luo Gan met with 50 heroes and models from the nation's public security at Zhongnanhai. On behalf of the party Central Committee and the State Council, Ren Jianxin extended high respects to them. Public Security Minister Tao Siju, Shu Huade, secretary general of the Central Political and Law Commission, Tian Qiyu, Bai Jingfu, Jiang Xianjin, Mo Xinsheng, vice public security ministers, and Hu Zhiguang, Discipline Inspection Commission secretary, attended the meeting. (Beijing XINHUA Domestic Service in Chinese 0643 GMT 1 Oct 94)

Huang Ju Attends Concert in Shanghai—On the evening of 2 October, Huang Ju, CPC Central Committee Political Bureau member, Shanghai Municipal Party Committee secretary, and Shanghai mayor, and Ye Gongqi, Shanghai Municipal People's Congress Standing Committee chairman, attended a charity-fund-raising concert in Shanghai. (Shanghai People's Radio Network in Mandarin 2300 GMT 2 Oct 94)

Li Desheng Opens Calligraphy and Art Exhibition—A Chinese Calligraphy and Art Exhibition was held in Beijing from 28 September to 5 October to mark the 45th founding anniversary of the PRC. Comrades Li Desheng, Wang Ping, and Chen Xilian cut ribbons for the opening ceremony. Leading comrades including Tian Jiyun wrote congratulatory inscriptions for the occasion. (Beijing XINHUA Domestic Service in Chinese 1015 GMT 4 Oct 94)

Li Lanqing, Others Mark Xinjiang Production Corps' Anniversary—On 4 October, the Xinjiang Production and Construction Corps held a discussion meeting in Beijing to mark its 40th founding anniversary. Leading comrades Li Lanqing, Wen Jiabao, Zhang Zhen, Chi Haotian, Chen Junsheng, and Ismail Amat attended the meeting. On behalf of the CPC Central Committee and the State Council, Li Lanqing commended all corps members for their past contributions and urged them to make new efforts to further enhance Xinjiang's progress. (Beijing XINHUA Domestic Service in Chinese 1244 GMT 4 Oct 94)

Yong Yiren Meets Former U.S. Secretary of State George Shultz—On 4 October, PRC Vice President Rong Yiren met in Beijing with foreign representatives including former U.S. Secretary of State George Shultz who will attend an international economic forum sponsored by the China International Trust and Investment Corporation [CITIC]. At the meeting, Rong Yiren urged foreign entrepreneurs to join China in developing its energy resources, communications, and telecommunications sectors in the next few years. On the same evening, the CITIC held a reception for all the forum attendees.

Yong Yiren and Li Lanqing attended the reception. (Beijing XINHUA Domestic Service in Chinese 1315 GMT 4 Oct 94)

Liu Huaqing, Others Watch Show Marking PRC Founding Anniversary—On the evening of 4 October, a large-scale theatrical show was performed at the Beijing Workers' Stadium to mark the 45th founding anniversary of the PRC. The show was sponsored by the CPC Central Committee Propaganda Department, Work Committee for Organs Under the CPC Central Committee, Work Committee for Central Government Organs, People's Liberation Army's General Political Department, and the Beijing Municipal CPC Committee. Watching the show were Liu Huaqing and Hu Jintao, members of the Standing Committee of the CPC Central Committee Political Bureau, leading comrades Li Lanqing, Li Tieying, Wen Jiabao, Ren Jianxin, and Luo Gan, and responsible figures in charge of relevant departments including Yu Yongbo. (Beijing XINHUA Domestic Service in Chinese 1507 GMT 4 Oct 94)

Jiang Zemin Inscribes for Sichuan-Tibet, Qinghai-Tibet Highways—On 5 October, Tibet held a seminar in Lhasa to mark the 40th anniversary of the Sichuan-Tibet and Qinghai-Tibet Highways. Writing inscriptions for the occasion were Chinese President Jiang Zemin, State Council Premier Li Peng, and Vice Premier Zou Jiahua. Jiang Zemin wrote: "We should strengthen the unity among various nationalities and between the Army and the people; and develop communications undertakings, the frontier areas, and Tibet." Li Peng wrote: "Before the economy can be invigorated, we should undertake communications endeavors first." Zou Jiahua inscribed: "Develop communications undertakings and Tibet, and consolidate frontier defense." (Lhasa Tibet Television Network in Mandarin 1200 GMT 5 Oct 94)

Wei Jianxing Unveils Deng Zhongxia Statue—On 5 October, a ceremony was held in Hunan's Yizhang County to mark Deng Zhongxia's 100th birthday, who was an outstanding leader of China's workers' movement and proletarian statesman, and to unveil his statue. On behalf of the CPC Central Committee, Wei Jianxing, CPC Central Committee Political Bureau member and CPC Central Committee Secretariat member, unveiled the statue. Wei Jianxing and Wang Maolin, Hunan Provincial Party Committee secretary, cut ribbons for the opening of Deng Zhongxia's old residence. General Secretary Jiang Zemin inscribed for the old residence. (Beijing XINHUA Domestic Service in Chinese 1323 GMT 5 Oct 94)

Song Jian Addresses China's Meteorological Society—On 5 October, China's Meteorological Society held a meeting to mark its 75th founding anniversary. State Councillor Song Jian attended and addressed the meeting, urging meteorological personnel to make further contributions. (Beijing Central People's Radio Network in Mandarin 2330 GMT 5 Oct 94)

Li Peng Inscribes Tibetan Highway Maintenance Workers Statue—On 5 October, a grand ceremony was

held in Lhasa to unveil a statue of Tibetan road maintenance workers. Premier Li Peng inscribed for the statue. (Beijing Central People's Radio Network in Mandarin 2330 GMT 5 Oct 94)

Li Peng, Qiao Shi Greet CHINESE WOMEN WEEKLY's Anniversary—On 5 October, CHINESE WOMEN WEEKLY [CWW] held a meeting in Beijing to mark its 10th founding anniversary. Party and state leaders Li Peng, Qiao Shi, and Hu Jintao respectively sent congratulatory inscriptions or letters for the occasion. The CWW will become a daily paper in January 1995. (Beijing Central People's Radio Network in Mandarin 2330 GMT 5 Oct 94)

Qiao Shi, Others Inscribe for Stamp Exhibition—On 6 October, China's handicapped people held their first stamp exhibition in Hangzhou. Leading comrades Qiao Shi, Song Ping, and Bo Yibo inscribed for the occasion. (Beijing XINHUA Domestic Service in Chinese 1335 GMT 6 Oct 94)

Ren Jianxin, Others Mark Old People's Day—On 6 October, Figures from various circles in Beijing held a discussion meeting to celebrate international old people's day at the Great Hall of the People. Wang Hanbin, Song Renqiong, Ren Jianxin, and Li Desheng attended the meeting. (Beijing XINHUA Domestic Service in Chinese 0757 GMT 6 Oct 94)

Luo Gan to Mark Xinjiang Production Corps' Anniversary—On 6 October, entrusted by the CPC Central Committee, the State Council, and the Central Military Commission, Luo Gan, state councillor and State Council secretary general, and his party arrived in Urumqi to mark the 40th founding anniversary of the Xinjiang Production and Construction Corps. Abulaiti Abudurexit and other Xinjiang leaders welcomed them at the airport. (Urumqi Xinjiang Television Network in Mandarin 1330 GMT 6 Oct 94)

Beijing Church Asks State Council To Prevent Takeover

HK0710110894 Hong Kong EASTERN EXPRESS in English 7 Oct 94 p 8

[By Bruce Gilley]

[FBIS Transcribed Text] A rebellious Protestant church in Beijing has asked for State Council protection against a police raid expected later this month.

Leaders of the Gangwashi church, the largest official Protestant church in the capital, wrote to the State Council's Religious Affairs Bureau last Wednesday after learning of the planned raid, according to the head of the church committee, Li Dequan.

The head of Beijing's Municipal Nationalities and Religious Affairs Commission, Sha Jiyuan, signed a directive on Monday ordering a complete takeover of the church before the end of the month, Li said.

"Sha said the Gangwashi issue must be completely resolved," Li said in Beijing yesterday.

"He called on the public security bureau and the religious affairs authorities to send teams in a joint action, which we must prepare for."

"All of the Beijing churches are now praying for us. But if the raid comes we will submit peacefully and use legal means to seek justice."

A takeover of the church was first planned after congregation members blocked an attempt by city officials to confiscate part of their property in mid-September.

Li was detained overnight following a brief scuffle, which came shortly before a visit to China by the Archbishop of Canterbury, George Carey.

The takeover was delayed first by Carey's visit and then by a central government-enforced period of "maintaining peace" in the city during the National Day holiday, which ran from September 20 to October 5.

During the period, police were barred from carrying out any large-scale mobilisations so as to avoid marring the festive atmosphere.

Local authorities want to take control of Gangwashi before it is allowed to register its current committee and clergy under newly promulgated state religion laws.

In the letter to the State Council, a copy of which has been obtained by Eastern Express, the Gangwashi church committee expressed outrage at the "coercive tactics" being employed by city officials.

"We are strongly opposed (to) such violations of state religious laws and call for an end to this harassment," states the letter, which was also sent to China's senior Protestant leader, Bishop Ding Guangxun.

Beijing authorities have been trying unsuccessfully to oust Reverend Yang Yudong, the senior pastor at Gangwashi, for more than two years.

A thorn in the side of the local religious authorities ever since granting asylum to student protesters in 1989, Yang preaches an evangelistic message, which attracts liberals and dissidents to Gangwashi.

The regular congregation of the church has mushroomed from about 500 to more than 2,000 since 1989, attracting police attention.

Recent moves by the church to gain greater independence through newly proclaimed religious laws prompted the decision to launch the takeover.

"Does the central government really want to implement the new religious laws, or are they just to show foreigners?" Li asked.

Propaganda Official on Spirit of Serving the People

OW0810140894 Shanghai JIEFANG RIBAO in Chinese
23 Sep 94 p 1

[By Zheng Bijian, executive deputy head of the CPC Central Propaganda Department]

[FBIS Translated Text] Over the past 50 years, "Serve the People" has retained its immortal vigor and indelible revolutionary color. "Serve the People Wholeheartedly" called for by Comrade Mao Zedong has become the fundamental purpose always steadfastly upheld by our party. It is the important secret weapon that enabled our party to fight against various hardships, and the greatest spiritual force our party had in helping exercise its influence over the entire Chinese people extensively and profoundly.

From Mao Zedong to Deng Xiaoping, the spirit, ideology, and work style of serving the people; and the world outlook, sense of value, and outlook on life that are based on the idea of serving the people have remained unchanged and have been continuously carried forward. It is an important part of Mao Zedong Thought and a crucial component of Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics. At the beginning of the new period of reform, opening up, and socialist modernization, Comrade Deng Xiaoping harshly criticized the false ideological trend that it is unnecessary to serve the people wholeheartedly in the new period. The criterion of "three conductives," a criterion set by Comrade Deng Xiaoping on judging right and wrong, is also a criterion for our productive forces and the people's interests. Commenting on the starting points and the goals of formulation of principles and policies, Comrade Deng Xiaoping emphatically stressed that we must always depend on the people's support, consent, positive response, and approval. In this way, Comrade Deng Xiaoping carried out and developed Mao Zedong Thought and established the theory of building socialism with Chinese characteristics, a scientific theory of serving the people in the new period.

Some have said the promotion of market economy contradicts the spirit of serving the people and that they are incompatible. This is, of course, a misunderstanding. Comrade Deng Xiaoping said that there was no basic contradiction between socialism and market economy. The issue is how we can develop productive forces more efficiently. Some passive and negative phenomena do exist in real life. Nevertheless, reform, opening up, and market economy have brought us some favorable results. The market economy under socialist conditions certainly encourages competition and stresses economic efficiency. However, its goal is to eliminate inferior enterprises through market competition and to offer better service for the people's increased material demands. This is the essence and major principle of the socialist market economy. We must firmly resist and eradicate

such evil trends as ignorance, violation of social ethics, money worship, and producing and selling counterfeit and shoddy products. This is absolutely necessary if we want to deepen reform and establish and perfect the socialist market economy. To establish and perfect the socialist market economy, we need to enhance the publicity of "serving the people." Any ideas and actions that diminish the great spirit of serving the people under the pretext that the situation has changed are completely wrong. In our society, great undertakings in political, economic, military, and cultural fields mean more than market economy. Heroic deeds and spirits in these fields that contribute to the party, the state, the people, or the nation and the lofty goal of communism are more important. To encourage these deeds, we must ceaselessly enhance the publicity of serving the people and carry forward its spirit.

I fully agree with Comrade Ma Wenrui that the spirit of serving the people and the Yanan Spirit will not be out of date in the next 50 or 100 years. The current mission is to ceaselessly enhance the publicity of the spirit of serving the people and to closely integrate the publicity with today's great deeds. We must integrate the publicity with our social life and features, with the impressive deeds of our party members and leading cadres, and with young people's impressive deeds inspired by education in this field. We must integrate the publicity with the struggle against corrupt and ugly phenomena. Only in this way can we score achievements in publicizing the spirit of serving the people and bring into full play its role of enhancing national cohesion and elevating people's minds. This is the sacred mission entrusted to propaganda departments.

XINHUA Replaces Item on Publicity for Advanced Figures

OW0710113994 Beijing XINHUA Domestic Service in Chinese 2101 GMT 6 Oct 94

[Beijing XINHUA Domestic Service in Chinese at 0740 GMT on 7 October transmits a service message replacing the following item; XINHUA commentator: "Do A Good Job In Publicizing Advanced Figures"]

[FBIS Translated Text] Beijing, 7 Oct (XINHUA)—Advanced figures radiating the spirit of the time constantly emerge in our great socialist motherland. Doing a good job in publicizing these figures is an important aspect in promoting socialist ethics, and it is also the best way with which the masses educate themselves, and so we should make meticulous efforts to make a success of the work in this regard.

This year, the Anhui Provincial CPC Committee and the provincial government have decided to elect, among Anhui's 50 million people, the first group of ten best figures having distinguished themselves in promoting socialist ethics. Newspapers, radio networks, and television stations are now publicizing throughout the province the nominees' deeds. The ten figures selected on the

basis of majority views will be commended throughout the province. These nominees, working at different posts, are producing extensive influence and have become examples being emulated by people in the province.

The CPC Central Committee's national conference on propaganda and ideological work this year decided that we should promote the main theme of the time. Comrade Jiang Zemin stated at the meeting that we should "arm the people with scientific theories, guide them with correct public opinion, mold them with lofty spirit, and inspire them with outstanding works." One way that is worth close attention in promoting the main theme is to influence, educate, and rehabilitate people with advanced figures' advanced thinking and deeds so that the few advanced figures' advanced thinking will become the conduct of the majority of people. When this project has been successfully carried out, the publicity work of promoting the main theme will become even more relevant to life and to the masses.

Publicizing advanced figures has been successful in aiding ideological and political work. During the period of democratic revolution, Comrade Mao Zedong took personal part in publicizing Norman Berthune and Zhang Side. What an immense influence they have had on helping people uphold the proper concept of life! Following the founding of New China, the influence generated from publicizing Jiao Yulu, Lei Feng, Wang Jinxi and many other advanced figures can hardly be estimated in the spiritual sphere.

Experiences have proved that publicizing advanced figures should not be the responsibility of propaganda departments alone, and that it should be an important part of the work of all party and government organizations in promoting socialist ethical standards and working for material progress at the same time, and in intensifying ideological and political work. One way to constantly refresh ideological and political work and make it always dynamic is to make constant efforts to publicize advanced figures' advanced thinking and deeds.

People can give even fuller play to their potential in this era of reform and opening up. We can say that this is an era in which more advanced figures have emerged than ever before and all party and government organizations should take timely actions in discovering and publicizing those advanced figures with distinctive characteristics of the time. Ever since the country embarked on reform and opening up, we have publicized many advanced figures on various fronts who are imbued with the spirit of reform and opening up and who have made outstanding contributions. This year, we have publicized Xu Honggang and many other advanced figures who are "ready to take up the cudgels for a just cause," as well as Zhang Mingqi, Jinzhou Municipal Party Committee secretary, and many other good cadres who are loyal to the interests of the people. These figures have generated

profound influence among the Chinese people. Today, new advanced figures are still constantly emerging and we should be keen in discovering them and make meticulous efforts in publicizing them so that we can use their examples to mold people of one generation after another. The example set by the Anhui Provincial CPC Committee and the provincial people's government in acknowledging the roles played by advanced figures and in publicizing their advanced deeds under the new market economy situation is worth emulating.

Government Report on Women's Advancement Issued

Eliminating Violence Against Women

*OW1010054794 Beijing XINHUA in English 0517
GMT 10 Oct 94*

[FBIS Transcribed Text] Beijing, October 10 (XINHUA)—The Chinese Government believes that the elimination of all forms of violence against women is highly necessary not only for consolidating and developing social stability and unity in the country, but also for protecting women's rights and enhancing their status.

China expressed such a stand in "The Report of the People's Republic of China on the Implementation of the Nairobi Forward-Looking Strategies for the Advancement of Women" published today.

The report outlines the laws and regulations China has adopted on eliminating various forms of violence against women.

At present, two thirds of provinces, autonomous regions and municipalities directly under the central government have established organizations to safeguard the rights and interests of women. More than 2,000 organizations providing legal consultancy services to women have been set up.

Over the years, a campaign of model families of five virtues have been carried out in both urban and rural areas of China. The campaign aims at upholding the rule of law and ethical standards, promoting science and technology, cultural activities and economic advancement in the family, improving the basic elements of society and helping check various illegal and criminal activities.

The report says that China is and will gradually improve the special, preventive and administrative laws, legal systems and law enforcement and monitoring systems which would help eliminate violence against women so that there will be a comprehensive legal system to guarantee the women's human rights.

It says that the government and non-governmental organizations will attach greater importance to properly handling the complaints lodged by women through correspondence or personal visits and to ensuring that victims are assisted, their difficulties are removed and justice is served.

'Rapid Progress' in Legislation

*OW1010033194 Beijing XINHUA in English 0247
GMT 10 Oct 94*

[FBIS Transcribed Text] Beijing, October 10 (XINHUA)—China has made rapid progress in legislation on women, which has basically formed a system, according to a government report on women published here today.

The report on the implementation of the Nairobi Forward-Looking Strategies for the Advancement of Women says that the laws and regulations have given better expression to the constitutional principle of equality between men and women.

The laws stipulate that "men and women enjoy equal rights to heritage", "women enjoy the same civil rights as men", and "all children of 6 years old should go to school to receive compulsory education for a fixed period of years in spite of their sex, nationality and race."

In addition, the report notes, administrative laws and regulations promulgated by the State Council and ministries and commissions have made concrete stipulations with regard to the protection of women's right to marriage, women's health care, labor protection of women workers, protection of lying-in women workers and their wage entitlement during maternity leave.

The report calls the law on the protection of the rights and interests of women adopted in April 1992 "an embodiment of China's commitment to the convention of the elimination of all forms of discrimination against women", as the basic law makes more comprehensive and concrete stipulations than the previous laws with respect to the rights and interests of women in the field of politics, culture, education, labor, property, person, family life.

It admitted, however, that it is no easy job to translate the legal equality between men and women into the equality of real life.

It says that China is now confronted mainly with the following problems: Some departments, regions and units, to varying degrees, still prefer men to women while enrolling students, recruiting workers or making choices of promotion. Some enterprises, especially privately-owned enterprise, individual businesses and some overseas-funded firms still fail to provide proper labor protection for women workers.

The marriage life and personal rights of women have been infringed upon and certain social evils and criminal activities are spreading.

What is more, in regular school textbooks, there exist a tendency towards overlooking or ignoring females.

The report says that Chinese Government has therefore pledged to continue to make known and implement fully the law on the protection of the rights and interests of

women. It urged people's congress at the provincial, autonomous-regional and municipal levels to finish working out methods to enforce the law by the end of 1994.

The government will also disseminate a civilized and progressive outlook of women and optional courses on women will be opened in universities.

Meanwhile, derogatory publicity of women in books, newspapers, films and TV programs should be effectively stopped, the report says.

Expanding Power Sharing Role

*OW1010032094 Beijing XINHUA in English 0240
GMT 10 Oct 94*

[FBIS Transcribed Text] Beijing, October 10 (XINHUA)—China has vowed to have at least one woman in every leading body at all levels before the turn of the century, including allowing the State Council to have woman vice premier or woman State Councillor.

A government report on the implementation of the Nairobi Forward-Looking Strategies of the Advancement of Women issued here today says that to further expand women's role in power-sharing, the country will gradually raise the proportions of women in people's congresses at all levels and in management and policy-making bodies.

The report deems the move would allow women cadres to better "represent the special interests and needs of women and influence policy-making with respect to women's rights to equal treatment and their development."

The report, which was submitted to the United Nations in March this year, points out that in implementing the Nairobi strategies, continued progress has been made in participation by the Chinese women in state affairs and the proportion of women in power organs has increased.

In 1993, 626 women deputies attended the 8th National People's Congress (NPC), accounting for 21.03 percent of the total. In the NPC Standing Committee, the number of women increased from 14 in 1985 to 19, with its percentage up from 9 percent to 12.26 percent. Two of the women members of the NPC Standing Committee were elected its vice chairmen, accounting for 10.5 percent.

The women NPC deputies have proposed many valuable bills for the improvement of government work and the safeguard of women's rights and interests, including a bill on social compensation for lying-in women workers and another on safeguarding the rights and interests of women.

The former bill was served as basis for a State Council regulation on labor protection of woman workers and the latter has been adopted and implemented.

The report says that in government departments, the number of women assuming high leading posts has increased as well. The State Council has one woman state councillor. Women ministers and vice ministers have increased from 11 in 1985 to 17 now.

In the provinces, women governors and vice governors have increased from 9 to 17, with the percentage up from 5 percent to 12.26 percent.

In 517 cities cross the country, 308 women assumed the post of mayors and vice mayors in 1993.

However, says the report, the percentage of Chinese women participating in politics is still quite low, and the situation of unequal opportunities still exists. The Chinese Government has therefore adopted a series of measures to change the situation gradually, which include:

- To formulate programs on training and selecting women cadres. It is required that by the end of 1995, 100 percent of the counties and 50 percent of towns and villages should have at least one woman cadre in the leadership. The full implementation of the programs is ensured through regular evaluations;
- To intensify the training of women cadres. Since 1985, the National Institutes for the Training of Middle and High Level Cadres have had a certain percentage of women students in every enrollment;

To set the proportion of political participation by women. For the election of the people's deputies at all levels, the Standing Committee of the NPC has proposed that the proportion of women deputies should be above 20 percent and should be increased step by step.

Notes 'Rising' Employment Rate

OW1010063394 Beijing XINHUA in English 0609
GMT 10 Oct 94

[FBIS Transcribed Text] Beijing, October 10 (XINHUA)—Chinese women have enjoyed a rising employment rate during the past decade, and by the end of 1992, the number of the female employees accounts for 38 percent of the total.

According to "The Report of the People's Republic of China on the Implementation of the Nairobi Forward-Looking Strategies for the Advancement of Women" published today, Chinese Government pays great attention to the employment of women. It has made achievements in the issues of employment rate for women, employment structure of women and women's professional level.

The report says that by the end of 1992, the number of the female employees in China has reached 56 million, a 24.1 percent increase over the 1985 figure. From 1979 to 1988, the employment rate of women in cities and towns was higher than that of men.

The report notes that at present, the rural women have been able to work in increasing number of fields. Women account for one third of the total of 14 million rural self-employed. By the end of 1992, China's rural enterprises had employed more than 100 million people, among whom more than 40 million were women.

The employment structure of women is getting rational, the report says. During the 8-year period from 1982 to 1990, considerable changes took place in women's employment structure.

In quantitative terms, the largest increase occurred in the agricultural sector, and in terms of increase speed, the fastest increase rate appeared in finance and insurance, the second fastest was in real estate and public service, and the third was in commerce, catering, supply and storage.

Meanwhile, the professional level of employed women has been improving as well. Statistics indicate that in eight years, the number of women professionals increased by 5.44 million, which was 2.94 million more than or 1.17 times the increase of male professionals.

What is more important, as the report puts, is that the Chinese women's educational and scientific and technological level has been widely improved.

The number of female scientific and technological staff surpassed eight million. Accounting for 35 percent of the total. Among them are 152 women entitled as women experts at the national level, 26 women academicians of the Academy of Science of China.

The Chinese Government also put forward its future goals for women employment, saying that it would provide more job opportunities for women, and gradually reduce the number of unemployed urban women so as to keep the male and female unemployment at roughly the same level by 2000.

Chinese women would be given equal opportunities as that of the men with the same qualifications by the end of the century, as the Chinese Government promised in the report.

China decided to root out unequal payment for the same job between men and women. Besides, China will continue improving the community service and advocate the sharing of housework and child-raising by husband and wife to further release the burden of working women.

Education To Expand

OW1010053294 Beijing XINHUA in English 0434
GMT 10 Oct 94

[FBIS Transcribed Text] Beijing, October 10 (XINHUA)—A Chinese Government report published today says that China will remove illiteracy for three million women each year, and strives to basically eliminate

illiteracy among all young middle-aged women in the whole country by the end of the century.

The statistics of the census in 1990 indicate that the number of illiterate people at and above 15 in China was 180 million, of which 70.1 percent were women.

The report said that China will make the 9-year compulsory education truly universal, and gradually reduce and eliminate the phenomena of school dropouts and non-attendance by girls. Both dropout and non-attendance rates for girls should be kept below 2 percent each year.

This is a part of the aims that China announced in the report called "The Report of the People's Republic of China on the Implementation of the Nairobi Forward-Looking Strategies for the Advancement of Women."

China re-emphasized that women enjoy equal rights to education as men in China. The report says that in 1992, the school entrance for children of school age from seven to 11 reached 97.2 percent and that for girls 96.2 percent.

In 1992, girls accounted for 43.1 percent of all the students in middle school, an increase of 2.9 percent over that of 1985. At the same period, 33.7 percent of all college students are female, 3.7 percent more than that of 1985. And, there were 20,000 women professors and associate professors in colleges and universities.

In China, women and children take up two thirds of the total population. The Chinese Government has set up a complete health care network for women and children in both urban and rural areas.

Statistics used in the report say that in 1990, the mortality rate of pregnant and lying-in women was 9.47 per million. The infant mortality rate was 31.42 per thousand in 1992.

China will reduce the pregnancy and natal mortality by 50 percent in the years leading to 2000. The average life-expectancy of women is expected to be 73, up by two years on the basis of 1990.

China will also raise the coverage rate of new delivery method to 95 percent.

Policies To Help Poor Women

OW1010040694 Beijing XINHUA in English 0317
GMT 10 Oct 94

[FBIS Transcribed Text] Beijing, October 10 (XINHUA)—China pledges to help 52 million women and children who can still barely feed and clothe themselves now out of poverty by the end of this century.

A government report on women made public here today says these women and children make up 60 percent of China's population below poverty line which was estimated at around 87 million by the end of 1992.

The report on the implementation of the Nairobi Forward-Looking Strategies for the Advancement of

Women says that China will adopt the following measures to help poor women shed poverty:

- To carry out general education and practical training for 10 million women in poor areas to enable them to have at least one of the job skills before 2000;
- To carry out specialized skills training on the basis of general training for the women who are still struggling for subsistence so that every village will have a female technician before 2000;
- To set up 20,000 women-dominant poor economic entities in poor areas, and provide 800,000 jobs for poor women;
- To help develop 200,000 households which shed poverty quickly, with a view to bringing along many more out of poverty;
- To continue to arrange for women labor in poor areas to work outside their communities.

The report says that since the mid 80's, governments at all levels have provided financial and material support to the non-government organizations like women's federations and the Association for Science and Technology in their drive to help the poor.

Since 1989, 560 directors of women's federations from 331 poverty-stricken counties and upper-level prefectures have been trained.

During the same period, 62,679 training courses on various technologies have been held in poor areas, and more than 5 million women have attended the courses.

In addition, over 960,000 women have become literates after attending training courses.

According to the initial statistics from 14 provinces and autonomous regions including Sichuan, Anhui, Gansu, Shaanxi, Guizhou, all in all about 6.5 million women got employed in more developed areas.

Chen Muhua Views 'Major Changes' in Families

HK0710113194 Beijing CHINA DAILY in English 6 Oct 94 p 1

[By Xu Yang: "Modern Families Based on Love, Equality"]

[FBIS Transcribed Text] Chinese families have undergone major changes in the past decade, as rapid economic development has brought about a marked increase in free choice of marriage partners and in small families, a senior official says.

The most significant achievement since 1985, however, is the steep rise in people's living standards, Chen Muhua, head of the All-China Women's Federation, said in an interview.

Free choice of marriage partners, in both cities and rural areas, has resulted in better marriages, Chen said.

A recent survey by the China Academy of Social Sciences found that 70 percent of rural marriages are free from parental control, a departure from tradition. In cities the figure is more than 90 percent.

Today's young people are using computers and television, as well as personal ads in newspapers, to seek partners, Chen said.

More than 400 young people have appeared on Beijing Television Station's match-making programme in the past four years, and 240 have found spouses, sources at the station said.

Another factor affecting families is that more women are in paid employment.

In rural areas, women now account for 70 percent of farm labour and hold 35 percent of the jobs in township enterprises. In urban areas more than 90 percent of women are employed.

With equal economic contributions, women are winning an equal say in family decisions and household management, Chen said.

Some 76 percent of couples manage their income together and 60 percent consult on important family affairs.

"Love, equality and democracy within marriage have contributed to the stability and happiness of families," Chen said.

In May, the federation sponsored a nationwide "happy family" contest to mark the UN International Year of the Family.

Of some 270 million nuclear and extended families in China, 135 families were selected and three were awarded top prizes.

Chen, who is also Vice-Chairwoman of the Standing Committee of the National People's Congress, said China has comprehensive laws on marriage and the family. These include the Marriage Law, the Law for the Protection of the Minors, the law for the Protection of Women's Rights and the Law for the Protection of the Disabled.

But Chen also conceded that problems such as prostitution, the abduction of children and women and maltreatment of aged parents are far from being wiped out.

"The government and society attach great importance to resolving these problems," she said.

Non-government organizations are already preparing for family education seminars scheduled in connection with the Fourth World Conference on Women, to be held in Beijing next September, Chen said.

Shanghai Dissident Yang Zhou Sentenced to Three Years

HK1110085294 Hong Kong AFP in English 0719 GMT 11 Oct 94

[FBIS Transcribed Text] Shanghai, Oct 11 (AFP)—Yang Zhou, spokesman for the Shanghai-based Chinese

Human Rights Association, has been sentenced to three years in a re-education camp for publishing reactionary material, his wife said Tuesday.

"I was taken to the local police station this morning and informed that Yang Zhou had been sentenced to three years of re-education through labour," Li Guoping said by telephone, adding that she had begun a 24-hour hunger strike to protest the decision.

The 50-year-old Yang has been in police detention since May 12, when he was picked up during a sweep of political activists in Shanghai.

The police told Li that her husband had been charged with publishing reactionary material and stirring up public unrest.

The charges appeared to relate to a collection of anti-government articles and letters that Yang published privately in late 1992 and distributed to friends, she said.

Under Chinese law, the police authorities can sentence individuals to between six months and three years re-education without a formal trial.

Yang, a veteran activist, has been jailed for dissident activities several times before. He first served a three-year prison term from 1979-81, after attempting to set up a human rights organisation during the Democracy Wall movement.

"I asked if I could see my husband, but they refused," said Li, who has had no contact with her husband since he was detained in May.

Li said she had started a 24-hour hunger strike as of 1:00 p.m. (0500 GMT) to protest against the sentence.

The police authorities in Shanghai refused to confirm the sentence passed on Yang.

Li said she had no news regarding other leading members of the Chinese Human Rights Association detained around the same time as Yang.

The association's secretary general Wang Fucheng was picked up April 14 and placed under "residential surveillance," while its president, Li Guotao, was taken into custody on May 2.

Wang's family said Tuesday they had had no contact with him since April.

There was also no news of Shanghai's most celebrated dissident, Bao Ge, who was arrested June 3, the eve of the fifth anniversary of the Tiananmen Square massacre.

"We were told in June that he had violated the law and an enquiry was being held, but since then we have heard nothing," one family member said.

Bao, 31, one of China's most active dissidents, was detained after filing a request with the Shanghai authorities to register officially a human rights organisation in the city.

Detained Activist's Wife Warned of Reprisals

HK1010054494 Hong Kong EASTERN EXPRESS in English 10 Oct 94 p 7

[By Bruce Gilley]

[FBIS Transcribed Text] The wife of the detained Christian activist Xiao Biguang has been warned that continued efforts to win his release from detention will worsen his plight. Xiao, 32, has been held in Beijing's Dahongmen detention centre for six months on unspecified "petty crime" charges, according to documents obtained recently by EASTERN EXPRESS.

The centre is a Ministry of State Security facility, which is believed to be designated for the holding of political prisoners. Officials from the letters and visits office of the Beijing public security bureau told Gou Qinghui last week that the investigation into her husband's case had been completed and that they were awaiting orders from seniors on sentencing. "They warned me to stop asking about the case," Gou said. "They said the consequences of my continued visits would be a harsher treatment of his case."

Gou, a teacher at the Yanjing Theological Seminary, has issued two public appeals on behalf of her husband since he was taken away by police from their flat on the morning of April 12. Days before the Anglican Archbishop of Canterbury, George Carey, arrived in Beijing last month, local religious authorities called Gou into their office and warned her not to try to see the prelate or pass on any materials to him or his entourage. "The police put me under surveillance as soon as he [Carey] arrived. Since he visited the seminary, they were particularly worried," she said. "But it appears from his visit that he is pretty close to the Communist Party. He doesn't care much about things like ours," she added. Gou said she was also put under surveillance by plain clothes police officers during the visit to Beijing by the U.S. Commerce Secretary, Ron Brown, at the end of August.

Xiao has been held under provisions of the criminal code relating to petty crimes, under which police can sentence people to between one and three years of "labour and education" without a trial. At the time of his detention, Xiao was working on a lawsuit on behalf of the "Jesus Family" Christian sect in Shandong province alleging police misdoing in the 1992 raid of the Duoyigou church and imprisonment of the clergy.

Since last year, Xiao had investigated the case and gathered 10,000 signatures from sect members calling for the release of the clergy, according to Gou. The lawyer for the case, a Beijing University law professor, Yuan Hongbing, has been detained since March. Xiao's links

with other Christian and labour activists are also believed to be responsible for his detention.

CPC Publishes New Book on 'Democratic Centralism'

SK0810010394 Beijing XINHUA Domestic Service in Chinese 0930 GMT 6 Oct 94

[FBIS Translated Text] Beijing, 6 Oct (XINHUA)—In order to coordinate the study and implementation of the spirit of the Fourth Plenary Session of the 14th CPC Central Committee, the book entitled *Lenin, Mao Zedong, and Deng Xiaoping on Democratic Centralism*—which was edited by concerned departments under the Discipline Inspection Commission of the CPC Central Committee—was recently published by the China Fangzheng Publishing House.

The democratic centralism is the CPC's fundamental organizational principle and leading system. The book contains important expositions by Lenin, Mao Zedong, and Deng Xiaoping from different periods. The book's contents have been selected from openly-published works of these leaders, and has been edited in line with special topics and chronological sequences that are convenient for readers to completely and accurately understand. The book has about 230,000 characters and, with the appendix of the regulations, is set in the previous party constitutions on democratic centralism.

Up to 1.5 Million Corruption Cases Per Year Reported

HK0710113394 Beijing CHINA DAILY in English 7 Oct 94 p 1

[By Xie Liangjun: "People Join War Against Corruption"]

[FBIS Transcribed Text] Citizens determined to weed out official corruption are reporting some 1.2 million to 1.5 million suspected cases each year to the authorities, according to Zhang Siqing, Procurator-General of the Supreme People's Procuratorate of China.

Some 700,000 such cases are reported to supervision departments, while about 500,000 tips come in to procuratorial offices, he said yesterday in Beijing.

Zhang gave the figures at a meeting with nine anti-corruption officials and legal scholars from the United States, the Netherlands, Australia, Mexico and Hong Kong.

The Seventh International Anti-Corruption Conference will be held in Beijing on October 5-9 next year, and the nine-member delegation is here for a briefing and consultations on preparatory work for the conference.

Publications Banned for Violating ISSN, Regulations

HK1110065794 Beijing GUANGMING RIBAO in Chinese 1 Sep 94 p 1

[By reporter Zhuang Jian (8369 1696): "Selling International Standard Serial Numbers Is Not Tolerated by

Regulations—ZHENGMING, BAOJI KEJI BAO, and Other Newspapers and Magazines Have Their Registrations Withdrawn"]

[FBIS Translated Text] Beijing, 31 Aug (GUANGMING RIBAO)—The State Press and Publications Administration recently strengthened the management of the newspapers and periodicals industry according to the law, with the buying and selling of international standard serial numbers [ISSN] as the main target, by withdrawing the registrations of a number of newspapers and periodicals, including ZHENGMING [CONTENDING] and BAOJI KEJI BAO [BAOJI SCIENCE AND TECHNOLOGY NEWS], for irregularities either in the sale of pages and ISSN or in management, or for operating in contravention of regulations. The sale of ISSNs is at present a conspicuous problem in the management of the newspapers and periodicals industry. Following the cancellation of the registration of ANHUI QINGGONG DAOBAO [ANHUI LIGHT INDUSTRY HERALD] last year, a number of incidents of a similar nature have followed one after the other. At the end of last year JIANGSU JIANKANG BAO [JIANGSU HEALTH NEWS] signed a "cooperation agreement" with Keli Science, Industry and Trade Company Ltd. of Nanjing, and sold pages 5 through 8, which it had added without authorization, in a disguised form to the Keli Co. and, at the same time, handed over the rights to the second and final proofreading. After that, the publication on two occasions issued bogus news under the title "The Soul Will Leave Kaila," and used the original magazine to create illegal newspapers in Qingdao and Wuhan. BAOJI KEJI BAO sold its ISSN in a disguised form to ANHUI LUXING WEISHENG [ANHUI TOURISM AND HYGIENE] magazine and published a combined volume of end-of-the-month life supplements without authorization. ZHENGMING magazine (run by the Jiangxi Provincial Federation of Social Science Workers) used the method of entrusting its distribution to others, and contracted three issues of its magazine to an individual book dealer, selling its ISSN for 21,000 yuan; the contents of the publication departed from its original purpose. The theoretical journal RENKOU YU FAZHAN [POPULATION AND DEVELOPMENT] (run by Sichuan United University), using the method of cooperative publication of supplementary issues sold its publication rights to the supplements for 2,000 yuan, which led to the publication of 6,000 copies of supplements, in issues A and B, as "Special Editions for Leisure Reading" written in a vulgar style. Soon after, it published its first issue, HUASHU DAWANG [KING OF PAINTINGS AND CALLIGRAPHY] (sponsored by the Ningxia People's Publishing House), handed over or sold the right to gather material, edit, proofread, finalize, print, and distribute, in the form of cooperative publications, to the Culture of Painting and Calligraphy Branch of the China Oriental Culture Research Association and the Sichuan Hope Bookshop, receiving 2 percent of the sales income per issue as an editorial

management fee. The contents of the publication seriously departed from publishing guidelines, and some were harmful to the mental and physical health of young people. Along with the sale of ISSNs of regular publications, there has appeared the unprecedented phenomenon of the sale of ISSNs of some internal publications. One of these, SHICHANG WENXUE [MARKET LITERATURE] (an internal magazine), which was sponsored by the Federation of Literary and Art Circles of Shijiazhuang City, Hebei Province, sold its ISSN 18 times in one year, reaping profits of over 70,000 yuan; thus 16 magazines with over 20 illegal issues were published, highlighting sensational sex-and-violence articles, and even articles of a reactionary nature. Another internal publication, CHANGAN WENXUE [CHANGAN LITERATURE], which was sponsored by Changan County Writers' Association in Shaanxi Province, sold its publication permit of six issues to other units for 30,000 yuan. The result was the publication of "Popular Modern Ghost Stories," which advocated superstition and pornography. The above-mentioned seven publications have all had their registrations canceled. In addition, their illegal earnings have been confiscated, and those that have violated criminal laws are being investigated by the police or judicial departments.

In light of the aforesaid situation, Liang Heng, head of the Press and Publications Administration, pointed out: In order to develop a socialist market economy and make the newspapers and periodicals market flourish, we must first of all set up the necessary legal safeguards, which means fair competition in normal orderly circumstances. Buying and selling of ISSNs is the same as buying and selling international standard book numbers. It is a manifestation of corruption, an illegal activity, and one which disrupts and leads to the ruin of the market of books, newspapers, and periodicals. Therefore, strict penalties for the buying and selling of ISSNs are clearly laid down in the "Interim Regulations for the Administration of Newspapers" and the "Interim Regulations for the Administration of Periodicals." From now on, buying or selling ISSNs will result in immediate cancellation of registration.

Other publications that have had their registrations canceled or have had their operations halted include ZHONGGUO KAIFA BAO [CHINA DEVELOPMENT NEWS], NEIMENGGU YIJI GONGREN BAO [INNER MONGOLIA FIRST MACHINERY WORKERS NEWS], NEIMENGGU ERJI GONGREN BAO [INNER MONGOLIA SECOND MACHINERY WORKERS NEWS], MEIRI JINGJI [DAILY ECONOMY] (sponsored by the Gansu Provincial Foreign Trade and Economic Cooperation Department), BASHAN WENXUE [BASHAN LITERATURE] (sponsored by the Cultural Bureau of Daxian Prefecture, Sichuan Province), CHUANGSHI JI [THE CREATION] (sponsored by the Shaanxi Provincial Academy of Social Sciences), and SHIDAI SHENGHUO [MODERN LIVING] and DUSHI SHENGHUO [URBAN LIFE]

(both sponsored by the Inner Mongolia Press and Publications Bureau). The management of ZHONGGUO KAIFA BAO had been in a mess for some time; it had set up subsidiary organs at random—more than 40 economic entities under different names—and its reporters had been involved in economic swindling activities. This newspaper cheated over 19,000 people out of their money when it, together with other units, held the "ZHONGGUO KAIFA BAO's First All-China Poetry and Song Grand Prize Competition." MEIRI JINGJI, however, violated the regulations by setting up the so-called MEIRI JINGJI Wire Service without official authorization. It dispatched news throughout China and abroad, some of which had serious political problems.

Ceremony Marks Compiling of Modern Annotation

OW0810134794 Beijing XINHUA in English 1240
GMT 8 Oct 94

[FBIS Transcribed Text] Beijing, October 8 (XINHUA)—A ceremony marking the start for compilation of a modern annotation edition of the Chinese twenty-four histories was held at the Great Hall of the People here today.

Wang Guangying and Cheng Siyan, both vice-chairmen of the Chinese National People's Congress Standing Committee, were among those present at the ceremony.

The education, science and culture organization of the United Nations and Anna Chennault, honorary president of the Chinese Culture Promotion Society (U.S.), had sent letters of congratulation for the occasion.

The compiling committee of the modern annotation edition of the twenty-four histories is made up of about 300 historians and the new edition would be published in simplified Chinese characters, said Gao Zhanxiang, Chinese vice-minister of culture and vice-president of the Chinese Culture Promotion Society.

It was learned that the compilation of the modern annotation edition of the twenty-four histories is expected to be finished in three to five years.

Military

Naval Chief of Staff Zhao Guochen Dies

OW0710123394 Beijing XINHUA Domestic Service in Chinese 0715 GMT 7 Oct 94

[FBIS Translated Text] Beijing, 7 Oct (XINHUA)—Naval Chief of Staff Comrade Zhao Guochen died of illness in Beijing on 27 September at the age of 59.

Comrade Zhao Guochen was a native of Suizhong County, Liaoning. He entered the torpedo and mine department of the First Naval School in 1956 and joined the CPC in 1960. He served successively as torpedo officer, deputy torpedo boat skipper, torpedo boat skipper, submarine group chief of staff, submarine group

commander, naval base chief of staff, and base commander. He upheld high standards and strict demands in cultivating a fine fighting style among naval units. He organized the officers and men to carry out activities of stressing traditions, learning from heroes and model persons, fostering new work style, and promoted the building of spiritual civilization among them. He paid great attention to grass-roots units and the foundation-laying work, frequently stayed on board boats and ships or with units in mountainous regions and on coastal islands, and conducted study and investigation, passed on experience, helped solve problems and gave guidance at grass-roots units. He persistently improved naval training in light of reality and helped raise naval combat effectiveness. During the tenure of naval chief of staff, he paid great attention to the improvement of the headquarters in terms of ideology, work style, discipline and work, because he believed that the headquarters must be strictly managed before combat units could be strictly managed. He made an important proposal on improving the quality of the Navy and being well-prepared for future military struggle. He organized several major naval exercises.

Comrade Zhao Guochen was elected alternate member of the 13th CPC Central Committee in November 1987 and delegate to the 14th CPC National Congress in June 1992. The Central Military Commission conferred the rank of rear admiral on him in September 1988 and promoted him to vice admiral in July 1993.

Comrade Zhao Guochen supported the line, principles, and policies laid down since the Third Plenary Session of the 11th CPC Central Committee, and conscientiously identified himself with the party Central Committee ideologically and politically, as well as in action. He worked in a cautious, conscientious, and down-to-earth manner; upheld principle and justice; opposed favoritism; and dared to struggle against bad things. He was strict with himself, lived a frugal and plain life, and was honest in performing official duties. He considered the interests of the whole, united with comrades, and had close contacts with the masses. He worked hard, advocated actual deeds, did selfless work for the defense of the country's territorial waters, and dedicated all his life to the growth of the people's Navy.

Economic & Agricultural

Government Confident of Curbing Inflation

OW0710170494 Beijing XINHUA in English 1627
GMT 7 Oct 94

[FBIS Transcribed Text] Madrid, October 7 (XINHUA)—The Chinese Government is confident of curbing inflation and sustaining economic growth in a sound manner, Vice Premier Zhu Rongji told local journalists.

Zhu made his remarks during an interview with Spanish reporters during his current official visit to Spain after

attending the annual meetings of the International Monetary Fund (IMF) and World Bank in Madrid.

He said inflation was unavoidable for a developing country which has opted for rapid development of its economy.

When China was practicing a centrally planned economy, prices were set by the state and kept at a very low level, he said.

But prices were liberalized and decided mainly by market forces after China introduced a socialist market economy.

Thus, he explained, price hikes caused by such structural reforms were unavoidable, but that the price index will go down after prices are straightened out, eventually curbing inflation in due time.

Therefore, the Chinese Government has full confidence and ability to bring inflation under control, said the Chinese vice premier, who is also the governor of the People's Bank of China.

Speaking of a so-called overheated economy in China, Zhu said the economy actually had only slightly overheated during the past two years, though it did grow a bit too fast.

Since reform and opening, the Chinese economy has developed quickly with an average increase of 9.3 percent annually over the past 15 years.

Zhu noted that the Chinese Government believes it appropriate that the economy maintain an average 8 to 9 percent increase each year.

The annual growth rate was 13 percent each of the past two years and there had been an oversupply of money.

This is seen as a bit too fast pace of development and was caused by the desire for quicker economic growth, Zhu said, adding that the Chinese Government had already addressed the problem in time.

The government has adopted a series of macroeconomic adjustment measures since the second half of 1993, including tightening the money supply and strictly controlling the size of fixed asset investment.

These measures were proven successful and China had avoided an overheated economy without triggering economic stagnation.

"Our national economy will maintain a growth rate of about 10 percent this year," Zhu said.

"The growth rate will not be lower than eight percent a year on average during the next few years, but we hope this figure will not exceed 10 percent so that our economy will progress in a sustained, fast and sound manner."

On the question of foreign investment in China, Zhu said China has so far absorbed more than 70 billion U.S. dollars of direct foreign investment.

China received 26 billion dollars in foreign investment in 1993 alone, 20 billion dollars between January and August this year, and is expected to reach 30 billion dollars by year's end.

This huge amount of foreign investment pouring into China has played a great role in the rapid development of the economy, Zhu said.

China welcomes and will continue to encourage the flow of foreign capital into the country, he added.

The Chinese vice premier also touched upon Sino-Spanish relations, human rights and other questions during his interview with Spanish reporters.

Li Lanqing Meets Foreigners at Textile Exhibition

OW0710165494 Beijing XINHUA in English 1442
GMT 7 Oct 94

[FBIS Transcribed Text] Beijing, October 7 (XINHUA)—Chinese Vice-Premier Li Lanqing met here today with heads of foreign exhibition groups participating in the ongoing Fourth China International Textile Machinery Exhibition.

At the exhibition which opened here yesterday, more than 800 companies from 22 countries and regions are displaying their new textile and chemical fibre machinery products and relevant technologies.

Li said with improvement of people's living standards, China's textile industry will surely make greater progress.

China is willing to carry out wide-ranging cooperation with foreign businessmen in the textile industry, Li added.

President Wu Wenying of the China National Textile Council and President Zheng Hongye of the China Council for the Promotion of International Trade were among those who took part in the meeting.

Official on Plans for Computerization of Financial Sector

HK0710113594 Beijing CHINA DAILY in English 7
Oct 94 p 2

[By Zhang Yuan: "Plans Drawn To Bring Finance Sector On Line"]

[FBIS Transcribed Text] A senior Chinese banker yesterday outlined the strategy for the computerization of the country's financial sector.

Speeding up the modernization of the financial sector through the adoption of advanced computer systems is necessary for establishing a socialist market economy in

China—and to enable the country's financial industry to compete internationally, said Chen Yuan, Vice-Governor of the People's Bank of China, the country's central bank.

Chen is currently in Madrid, attending the 49th annual meetings of the International Monetary Fund and the World Bank. But his pre-written speech was released in Beijing yesterday at the opening of a three-day Symposium on the Information Market and its International Co-operation.

The symposium, attended by more than 300 scholars, experts and officials from 13 countries and regions, aims to promote the development of China's fledgling but promising information industry and to strengthen international co-operation between China and other countries in this sector.

Chen said the major tasks for computerizing the financial sector until the end of next year are:

- To complete the bidding process for the China National Automated Payment System this year and to finish experimental and pilot projects for the system next year.
- To continue construction of the China National Financial Network and expand its satellite network by setting up 800 earth-satellite user stations in provincial and city-level bank branches.
- To develop the country's credit card pilot project, which aims to increase the number of credit cards in China to 10 million by the end of next year from about 4 million now.
- To promote construction of a local fund clearing system.
- To establish the central bank's financial management information system.

The system will be set up for the central bank's headquarters. It will have a database of centralized economic and financial information and the capacity for fast information collection.

- To improve China's foreign exchange management system through the establishment of foreign exchange tracing and checking systems.
- To strengthen the application of computers to develop various financial businesses.

Conference Adjusts Foreign Capital Import Policies

HK0710153894 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1040 GMT 12 Sep 94

[FBIS Translated Text] 12 Sep (ZHONGGUO TONGXUN SHE)—China will shortly hold a "National Foreign Capital Work Conference" to comprehensively

review current policies on foreign capital, and to adjust the economic development policies marked by the import of foreign capital.

Concerned personnel revealed that the policy adjustment is aimed at rectifying the unlimited introduction of foreign capital by local authorities, and at correcting the imbalance in burdens and contributions between domestic and foreign-funded enterprises, as well as the unfair conditions of competition between them. Since China opened up, foreign-funded enterprises, by increasing the country's exports, have played a positive role in the mainland's economic development, but they also have created negative influences that are hard to ignore. Most of the foreign capital introduced into mainland has come from medium-sized or small enterprises in Hong Kong, Macao, and Taiwan, which are engaged largely in simple processing, such as assembly work. These foreign-funded enterprises competed with local counterparts for resources and export markets, with the advantages of tax and foreign exchange supply preferences, but their direct contributions to the economy have not been as great as expected. Hence the necessity of adjusting the policies on foreign capital.

According to what was revealed, China's future policies on importing foreign capital will emphasize the following aspects:

1. There will be greater attention to luring hi-tech and large multinational corporations to invest in the mainland.
2. More sectors will be opened up for foreign investment; the pace of opening up services related to financial sectors and trade will be increased; the "BOT" [as published] mode will be popularized for infrastructure projects; and old-town renovation programs and the domestic sale of residential houses will be launched on a greater scale.
3. Industrial guidelines will be strictly enforced; preferences will be industry-based instead of area-based; people will be encouraged to acquire technology with offers of market shares, to develop technology-intensive industries to produce substitute products, and to invest in agriculture; and so on.

Beijing Takes Action To Ban Pirated CDs, Laser Discs

HK1110095894 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1030 GMT 9 Oct 94

[By reporter Shao Ling (6730 7227)]

[FBIS Translated Text] 9 Oct (ZHONGGUO TONGXUN SHE)—Peddling pirated CDs is rampant in Hong Kong; it is said that the CD market in the first half of the year fell 60 percent. Despite customs' all-out efforts to mop them up, such crime is never extinguished. The reason lies precisely in the fact that there are always some "braves" enticed by substantial profits.

A pirated CD costs no more than HK\$6.00 (Hong Kong dollars), plus shipping costs of HK\$1.50, for a total of HK\$7.50 [about US\$0.97]. Sold at HK\$100 [US\$13] for three copies, a profit of HK\$77.50 is made for every three sold. When business is brisk, a peddler can sell some 80 copies; even if he is accidentally caught by the police and comes under prosecution, the penalty will be light. The court will not sentence imprisonment in such cases, and the maximum fine is HK\$1,000 [US\$100] per copy. Generally, the court will not impose too heavy a penalty; when the volume is excessively great, the penalty will be imprisonment. In any case, the offender will be free a few months after. When big profits stand above all else, some people are just vying for such a deal.

It seems that the ultimate way to eliminate pirated CDs is to begin by stemming the product at its source—mainland China—so that there will be no supply of such pirated CDs.

In fact, mainland China began to implement the "Copyright Law of the People's Republic of China" on 1 June 1991; it then became a member of the "Berne Convention," the WIPO [World Intellectual Property Organization] and the "Treaty on the International Protection of Audiovisual Works." It will protect the legitimate rights and interests of obligees outside the border, in addition to upholding obligations to international conventions and protecting obligees of convention members' legitimate rights and interests in mainland China. To protect intellectual property rights [IPR], the Chinese Government recently issued an order to all CD manufacturers across China, including Sino-foreign joint ventures, to re-register with various provincial and city governments. The manufacturer must first obtain Ministry of Foreign Trade and Economic Cooperation [MOFTEC] approval, while the orders and volume of CDs manufactured must be submitted in an application to the government. The related new policy will play a deterrent role in banning pirated CDs, as it more directly aims at their fountain-head.

At a teleconference on augmenting IPR protection held in Beijing in late July this year, State Councillor Song Jian indicated that recently China has done voluminous effective work in protecting intellectual property rights. However, society as a whole still has a comparatively weak sense of IPR protection; there are still some departments and localities that turn a blind eye to intellectual property rights. Still other localities are not strictly enforcing the law in cases of IPR infringements and are not being forceful enough in cracking down, as cases of severe IPR infringement continue despite repeated orders of prohibition. Song said that China will concentrate forces to focus on investigating and handling major and important cases in localities where IPR infringement is comparatively serious, and will earnestly weed out and rectify the market of audio and video products, books, and computer software, and investigate and handle illegal activities infringing registered trademarks and patent rights. He pointed out that a market economy is

lawful economy; without a legal system for intellectual property rights, the building of a fair, open, and just competitive market would be out of the question. If there is legislation without law enforcement, the purport of the law itself will be reduced to nothing.

Mainland China will embark on a crackdown on reprinting, pirating, and illegitimate publications on a wide scale in the near future in an attempt to radically rectify such illegal behavior on the mainland and to practically improve the confusion in the audio and video products market, thus enabling it to develop in a more healthy and orderly direction.

In fact, last April, seven commissions and ministries, including the State Planning Commission, PRC Press and Publications Administration, and State Copyright Administration, jointly issued an "Urgent Circular on Augmenting Control Over Reproduction of CD and Laser Disc Players." In its wake, Guangdong, Shanghai, Jiangsu, and Beijing investigated the handling of cases of illegal pirated audio and video products, including CDs, based on the spirit of the urgent circular and the actual conditions in their own localities. At the same time, the Press and Publications Administration and State Copyright Administration sent ad hoc groups to various places including Guangdong to conduct examination and registration of various production lines for CD players. The recent mop-up action conducted on a wide scale by related departments has once again demonstrated mainland China's determination to step up efforts against pirated CDs and laser discs.

According to a report, the fact that mainland China has closed four CD production lines that recently infringed copyrights serves as an evidence. Zhang Yuejiao, deputy director of MOFTEC's Treaty and Law Department, stated that as long as there was hard evidence, the Chinese Government will sternly deal with behavior that infringes copyrights.

While Mainland China is severely cracking down on pirating activities, Hong Kong Customs also announced that as of the beginning of 1994 whoever brings pirated CDs and laser discs into the territory is breaking the law. It is expected that the market for pirated discs will be dealt a heavy blow.

Coastal Provinces Lead Way in Economic Growth

OW1110100294 Beijing XINHUA in English 0846
GMT 11 Oct 94

[FBIS Transcribed Text] Shanghai, October 11 (XINHUA)—Growth poles have taken shape in southeast China's coastal provinces of Jiangsu, Zhejiang, Shandong, Fujian and Jiangxi Provinces, playing an important role in propelling the local economies forward.

The Shandong Peninsula has 18 percent of the population in Shandong and yet it produces nearly 33 percent of the province's gross product.

For every 100 foreign-funded projects in Shandong Province, 45 are in the peninsula and for every 100 U.S. dollars of foreign investment attracted, 51 U.S. dollars go to the peninsula.

In Jiangsu Province, 95 percent of the 430 towns in Suzhou, Wuxi and Changzhou have brought their annual output value up to 100 million yuan and among the top 100 towns in the country, 45 are in this area.

These areas have become growth poles, a term in development economics meaning "economic powerhouse" for a country or a region.

The growth poles have formed under certain historical and economic geographical conditions and come to the fore in the drive for a market economy.

Jiangsu Province has made better use of the growth pole effect. The provincial government organized leading cadres in poor regions to learn their experiences and sent cadres in the growth pole areas to poor regions to help with their work. The province also encouraged cooperative enterprises, enterprise leasing and holding of training classes to help the poor areas to catch up.

In Shandong Province, growth pole counties have paired off with poor counties and provide them with funds, technology and management experiences.

Economic experts say that the growth poles in east China's coastal regions have already played the leading role, a sign of mature economic growth. They will not only promote a fast, sustainable and healthy development of the local economy but also ultimately take along the economically backward middle and western parts of the country.

Price Controls Introduced To Stabilize Auto Market

HK1110110294 Hong Kong EASTERN EXPRESS in English 11 Oct 94 p 1

[By Wang Xiangwei]

[FBIS Transcribed Text] China has kick-started a new price control mechanism to arrest the plunge in prices of passenger cars as the austerity programme takes a heavy toll on the country's major car makers, according to sources in Beijing. They said the car makers, mainly assembly joint ventures by Germany's Volkswagen, France's Peugeot and Chrysler of the United States had all greatly scaled back production, with a few producing no cars at all in August, because of the weak demand. Despite earlier attempts to slash prices, the car makers still failed to revive the market, with inventories piling up and sales falling to a trickle.

As a result, the State Planning Commission announced in early September a new pricing mechanism which would allow the government to set reference prices for car makers and dealers to follow. The list of reference prices would be adjusted monthly to reflect market

demand, and car makers and dealers are, for the time being only, allowed to float the prices within a 10 per cent limit. Sources said the mechanism was aimed at stabilising prices in the short term and easing them down in the long term to encourage private consumption.

Officials figure show that in the first eight months the car makers only produced 167,165 passenger cars, of which 164,347 were sold. The production figure only accounted for half of the planned production target of 333,000 units for the whole of 1994. Last year China produced 225,150 passenger cars, up 40.6 per cent over 1992.

Sources said it looked certain that car makers would fail to meet the annual production target for this year as their biggest customers—the government departments and state-owned enterprises were no longer placing orders or could not come up with payment because of the austerity measures. In August some car makers only managed to produce a few vehicles while others simply halted production, sources said.

Car prices have also dropped sharply. In Beijing, the showroom price for a Santana, a four-door sedan produced in Volkswagen's assembly plant in Shanghai, is 110,000 renminbi [Rmb] (about HK\$99,880) [Hong Kong dollars] down 45 percent from an all-time high of Rmb190,000 in early 1993. The government's October reference price for Santana is Rmb104,000 per unit. For a Daihatsu Charade, a compact four-door passenger car assembled in Tianjin, the showroom price and the government's reference price are the same at Rmb63,000, down 24 per cent from a year-ago level of Rmb83,000.

It remains unclear how badly the car makers have been hit individually but the initial indications are alarming. The Hong Kong-listed Denway Investment, which controls the Guangzhou Peugeot Factory, has reported a 95 per cent drop in net profit for the six months to June with the factory cutting production to levels lower than those of previous years. China says it plans to produce 800,000 cars a year by the end of 1995, and 1.3 million by the year 2000.

Economy Forecast To Grow 11.5% in 1994

OW1110095594 Beijing XINHUA in English 0850
GMT 11 Oct 94

[FBIS Transcribed Text] Beijing, October 11 (XINHUA)—China's gross domestic product (GDP) is expected to expand by 11.5 percent throughout the year 1994, leading economists said here today.

The national economy has maintained a fast growth this year while registering a smooth slowdown from the overheated status during the previous two years, according to a report jointly written by experts from the Chinese Academy of Social Sciences and the State Statistics Bureau.

The forecast, based on actual results for the first eight months this year and complicated model analysis, put China again among the top of the list of world economies.

Describing the overall situation of the Chinese economy as good, the report said that most economic indicators "have been getting nearer to the expectations of the government".

The growth rates for agriculture, the manufacturing industry and the service industry will reach three percent, 16 percent and 10.2 percent respectively this year, the report predicted.

Exports will total 115 billion U.S. dollars in 1994 while imports stand at 120 billion U.S. dollars, according to the report.

The main driving force behind the double-digit growth is a steady rise in fixed-asset investment, which is expected to total 1,500 billion yuan this year, up 18 percent from last year.

The economists said that China's major reforms in financial, taxation, banking and trade systems this year have been receiving "better-than-expected" bonus as they constitute the framework of a market economy.

The macro-control measures, adopted by the central government last year, are also paying off as they have markedly improved the economic environment, the economists said.

"The Chinese economy is most likely to achieve a soft-landing successfully in 1995," the report said.

Yet it warned that close attention must be paid to a few "prominent problems" in the economy, including high inflation, excessive investment, poor performance of some state-owned firms, relatively low growth in the agricultural sector and an imbalance in regional development.

The report forecast the inflation rate at around 19.5 percent in 1994, which represents a severe test for the state.

However, it predicted that with the government's current measures taking effect and the reforms going further, inflation will be possibly brought down to 13 percent next year.

The report also tipped a 10 percent growth rate for the Chinese economy next year.

Symposium Studies Radioactive Waste Management System

OW0910133994 Beijing XINHUA in English 1317
GMT 9 Oct 94

[FBIS Transcribed Text] Tianjin, October 9 (XINHUA)—The radiation levels of the radio-wastes from China's first two nuclear power plants in Zhejiang and

Guangdong provinces have been strictly controlled below the state-set standards, thanks to an effective radioactive environment management system.

This was confirmed on China's first National Symposium on the Management of Radioactive Environment that closed today in this port city in north China.

The four-day symposium, sponsored by the State Bureau of Environmental Protection, is to examine the country's laws, policies, and technological standards concerning the management of radioactive environment and the implementation of them.

Experts and officials to the symposium agree that China has established in the past decade a relatively complete and effective system for the full-range monitoring of activities resulting in radiations more or less.

China has built nuclear power plants and applied nuclear technologies in industry, agriculture, medicine, geology, metallurgy, archaeology, and many other fields.

With the development of its nuclear industry, China's radioactive environment management took its first steps in the 1950s.

In the late 1970s, the country published its first radiation control policy.

In 1982, the State Bureau of Environmental Protection was recognized by the State Council the highest and only authority in radioactive environment management.

Since then, the bureau has established its offices in all the provinces, cities, counties and a majority of radioactive source units. The whole system employee more than 1,000 people.

While making up a whole system of standards and regulations concerning the control of radioactive environment, the bureau has subjected China's first law on the prevention and handling of radioactive pollutions to the Standing Committee of the National People's Congress for approval.

The bureau has successfully organized the survey of the natural radiation level throughout the nation, the results of which have been adopted by the United Nations science committee on the effects of atomic radiation.

The country has built up urban radioactive wastes banks in 21 provinces and big cities, which now control several thousands of radiation sources and several thousands of tons of radioactive wastes.

Now all the nuclear facilities, including nuclear power plants, in the country are subject to a two-layer evaluation system by the State Bureau of Environmental Protection, one by the Expert Committee for Nuclear Environment Evaluation, the other by the Expert Technical Group for Nuclear Environment Evaluation.

So far nearly 60 nuclear facilities in the nation have passed the evaluation of the system for their impacts on the environment.

In the meantime, the management of radioactive effects associated with rare earth, nonferrous and black metallurgy, bone coal utility and other industries as well as the control of nuclear accidents has set out.

China Develops New, Renewable Energy

OW1110100694 Beijing XINHUA in English 0823
GMT 11 Oct 94

[FBIS Transcribed Text] Beijing, October 11 (XINHUA)—China has made progress in developing new and renewable energy, with some of its technologies reaching the world's advanced level.

The country attaches importance to energy saving and the development and utilization of new and renewable energy has been an important part in its economic development.

China now has the biggest number of solar-energy stoves, water heaters, and hot houses in the world.

Solar power stations have been set up in Inner Mongolia, Gansu and Tibet to help solve electric power shortage in the areas.

Small wind power generators have been used by herdsmen in Inner Mongolia.

At present, the country has built over 600 methane-generating pits of 100 cubic meters.

It has also scored achievements in the development and utilization of geothermal energy resources, tidal and hydrogen energy.

Article Views Recycling of Renewable Resources

OW0810111994 Beijing XINHUA in English 0804
GMT 8 Oct 94

[FBIS Transcribed Text] Beijing, October 8 (XINHUA)—China has made big progress in the recycling and utilization of renewable resources over the past four decades, according to the Beijing-based MARKET NEWS.

Thanks to the utilization of renewable resources over the past four decades, China has saved the use of 4.2 billion tons of ore, 180 million cubic meters of timber, 19 million tons of soda, 580 million tons of standard coal, 59 billion kw of electricity and 120 million barrels of crude oil.

China began to recycle scrap iron and steel since the founding of the People's Republic of China. The amount recovered is enough for manufacturing 1.3 million km of rails, a length four times that of the equator, or enough for making 130 million lorries.

The comprehensive utilization of renewable resources has also helped protect the environment.

Statistics show that the recycling efforts have reduced the discharge of residue by 20-30 percent, of waste water by 30-40 percent and of waste gas by 20-30 percent.

The Anshan Iron and Steel Company, one of the largest in China, has invested a total of 70 million yuan in the construction of 58 projects for comprehensive utilization of renewable resources since 1969.

The projects recover 140,000 tons of iron powder, 2000 tons of coke, 85,000 tons of iron and steel a year and make a more effective use of 220,000 cubic meters of steam and 17.9 cubic meters of water.

Firms From Over 20 Nations Interested in Three Gorges

OW1010090694 Beijing XINHUA in English 0803
GMT 10 Oct 94

[FBIS Transcribed Text] Beijing, October 10 (XINHUA)—The Three Gorges Project is a potentially large investment market that no investors can afford to miss.

"Three Gorges Project, with its potential investment of 150 billion yuan, is sure to become a large market in the near future," an expert said.

So far, companies from more than 20 countries have come to the area for research, promoting sales and bidding, in addition to some 300 domestic groups from some 20 provinces, municipalities, and autonomous regions.

As public bidding has been adopted in the construction of different sections of the entire project, the companies which wanted to play a part in the project should make adjustment to be more competent in bidding.

The gigantic water conservancy project will be constructed on the middle reaches of the Chang Jiang River.

The dam which is designed to be 185 meters high and nearly 2 km long will take 17 years to finish. When completed, it will be capable of generating 17,800 megawatts of electricity.

At present, preparations for the project are in the final phase.

Solely Foreign-Funded Power Plants To Be Allowed

HK1010151994 Beijing ZHONGGUO XINWEN SHE in English 0938 GMT 10 Oct 94

[FBIS Transcribed Text] Beijing, October 10 (CNS)—China, which has a shortage of energy supply, plans to provide a wider range for foreign businessmen to invest in the power generation sector. Sources from various circles have showed that in the not too distant future,

foreign investors would be allowed to set up solely foreign-funded power plants in China.

A circular released by the Ministry of Power Industry on the 45th anniversary of the Republic said a breakthrough should be made in utilization of foreign capital for building power plants in order to meet the demands of the power development plan, indicating the Ministry has put the matter on its agenda.

Information from Shanghai is more encouraging. A relevant department of Shanghai stated recently that in more than five years from now, the city planned to inject a large amount of capital in establishment of new power plants and upgrading of the old urban electricity network. Quite an amount of the capital would be raised overseas. Foreign investors would be allowed to set up solely foreign-funded power plants in Shanghai, operating and managing on their own, and finally transferring the plants to the Chinese side.

Experts forecast that during the period from 1990 to 2000, the total world power-generating capacity will increase to 16,500 billion kilowatt/hour up from 11,700 billion kilowatt/hour with an annual average growth of 3.5 percent.

China's growth in this sector will be a lot faster than the world average growth. According to conservative estimates, in the 90's, China's growth in power-generating capacity will be around nine percent. The development plan made by the Ministry of Power Industry said that based on annual operation of 12 million to 14 million kilowatt generating sets for six consecutive years, China would increase her power installed capacity by 15 million kilowatts every year from 1995 to 1997, and an annual increase of 20 million kilowatt installed capacity from 1998 to 2000. In the six years starting now, China would utilize foreign capital of U.S.\$25 billion in power industry alone.

In fact, China has greater potential in the power generation sector. China has nearly 1.2 billion population. Calculated on a level of average power possession of one kilowatt which has been reached in developed countries, China needs total installed capacity of 1.2 billion kilowatts. However, by the end of last year, the total power installed capacity in China had been only 183 million kilowatts. Mr. Shi Dazhen, Minister of Power Industry, said recently that in power industry China and foreign investors could be expected to have long-term and reliable cooperation.

ASEAN Trade Seen Topping \$20 Billion By 2000

HK1010055294 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 9-15 Oct 94 p 1

[By Gao Bianhua: "Trade With ASEAN Expected To Hit \$20b By 2000"]

[FBIS Transcribed Text] Trade relations between China and members of the Association of Southeast Asian

Nations (ASEAN) will see greater development following the sustained rapid growth of recent years, a senior foreign trade official told *Business Weekly*.

"By the year 2000, Sino-ASEAN trade volume will reach around \$20 billion," said Shi Weisan, director general of the Department of Asian Affairs under the Ministry of Foreign Trade and Economic Cooperation (Moftec).

That means bilateral trade should increase 10 to 20 percent annually through the turn of the century.

During the first half of the year trade volume between China and ASEAN countries hit \$5.518 billion, up 43.1 per cent over the same period of last year.

And the figure for all of 1993 was \$10.68 billion, 26.1 per cent higher than that of 1992.

Trade with ASEAN last year accounted for 5.4 per cent of China's total foreign trade volume, making the ASEAN bloc China's fifth-largest trading partner after Japan, Hong Kong, the United States and the European Community.

Shi said that ASEAN countries' investment in China, especially from Singapore, has also picked up in recent years.

By the end of June this year, Singapore had invested in 3,834 projects in China with promised investment of \$6.817 billion.

Shi called Singapore China's fifth-biggest overseas investor after Hong Kong, Taiwan, the United States and Japan.

At the same time, he noted, Chinese investment in ASEAN countries has also increased by a big margin.

China clinched 609 labour contracts with ASEAN countries last year and completed \$250 million worth of business turnover.

Shi cited reasons for the positive momentum of Sino-ASEAN trade, including the good relationship between China and ASEAN countries.

"High-ranking officials from both sides, including trade ministers, have kept up intensive contacts in recent years," Shi said.

Moftec Minister Wu Yi is currently on an official visit to three ASEAN member countries.

Shi said Brunei's Minister of Industry and Primary Resources will visit China later this month to discuss trade and investment.

In addition, the economies of ASEAN countries and China are highly complementary.

For example, Singapore—as a newly-industrialized country—has abundant funds and high-tech industries

as well as advanced management experience. But it lacks raw materials and a large market, something China can provide.

Thailand, Malaysia, and Indonesia, also in the process of industrialization, are rich in natural resources which China needs.

"But they need China's machinery and electronic products," Shi noted.

He said Chinese and ASEAN countries' economies are growing rapidly, creating favourable conditions to expand trade relations.

China's economy is expected to grow by more than 10 percent this year, while the average growth rate of ASEAN countries should reach 8 percent.

Finally, both China and ASEAN countries are actively involved in subregional cooperation, such as development along the Mekong River, Shi noted.

Jan-Aug Industrial Output Up 18.9 Percent

HK1010053094 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 9-15 Oct 94 p 8

[By Jian Feng: "Industry Output Up By August"]

[FBIS Transcribed Text] Industrial output value hit 2,660.69 billion yuan (\$309.41 billion) between January and August, 18.93 percent more than during the same period last year, according to figures released by the State Statistical Information and Consultancy Service Centre.

Growth in the first seven months hit 18.69 percent.

Capital investment growth has been trimmed but still remained high in the first eight months of the year.

And capital construction spending in state-run industries topped 273.387 billion yuan (\$31.79 billion) in the January-August period—a 45.1 percent rise over the same period last year.

Some 104.87 billion yuan (\$12.19 billion) went to projects administered by the central governments 38.5 percent more than in the same period last year. And projects controlled by local authorities absorbed 168.52 billion yuan (\$19.59 billion), an increase of 49.5 percent.

A record 28.595 billion (\$3.325 billion) was spent on building apartments, a rise of 37.5 percent, while the fixed-asset value of state-run industries grew by 62.2 percent to top 42.065 billion yuan (\$4.89 billion).

Technical renovation of state-run industries absorbed 112.71 billion yuan (\$13.11 billion) in the first eight months of the year, a rise of 37.9 percent.

Light industrial output rose by 21.09 percent in the first eight months of the year to hit 1.264.2 billion yuan (\$147 billion). And heavy industrial output gained 17.04 percent to stand at 1,396.7 billion yuan (162.4 billion).

Meanwhile, state-run industries generated 1,190.2 billion yuan (\$138.4 billion) worth of products, up 4.46 percent.

Collectively-owned enterprises chalked up a 28.07 percent increase in the January to August period, raising 1,023.9 billion yuan (\$119.1 billion).

Their total output topped 696.2 billion yuan (\$80.96 billion), mainly generated by plants in rural areas.

The figures show an increase of 43.14 percent during the period.

Foreign-funded enterprises and privately-owned firms reported an output of 446.9 billion yuan (\$61.96 billion) in the first eight months, an increase of 43.71 percent since the same period of last year.

Statistics

The report said energy production increased by 3.8 percent in the first eight months of the year, totalling 722.9 million tons of coal equivalent.

Production of undressed coal generated a 4.1 percent rise in the period, topping 776.2 million tons.

The production of crude oil grew by 2.1 percent in the first eight months to 98.1 million tons, while natural gas production inched up 1.69 per cent to 11.1 billion cubic metres.

Hydroelectricity growth was 17.02 percent and total output reached 109.4 billion kilowatt-hours.

Output of Major Industrial Goods			
	Unit	Output	Percent Change
Automobiles	million	0.956	3.98
TV sets	million	18.69	4.54
Colour TV sets	million	9.82	18.94
Home washing machines	million	7.31	26.99
Home refrigerators	million	5.49	22.95
Yarn	million tons	3.29	1.2
Chemical fibres for garments	billion metres	1.58	28.1
Cigarettes	billion	1117.2	3.3
Beer	million tons	10.35	11.7
Steel	million tons	62.52	7.91
Rolled steel	million tons	34.3	6.02
Sulphuric acid	million tons	9.59	7.41
Soda ash	million tons	3.71	10.2
Chemical fertilizers	million tons	15.23	11.6

Timber	cubic metres	24,490,000	-0.4
Cardboard	cubic metres	3,319,000	5.0
Cement	million tons	253.38	10.4
Flat glass	million boxes (1 box = 50 kg)	74.46	5.5

Electricity Generation Likely To Rise in '94

HK0710113494 Beijing CHINA DAILY in English 7 Oct 94 p 2

[By Chang Weimin: "Electricity Suppliers Turn Up Capacity"]

[FBIS Transcribed Text] China is likely to generate 900 billion kilowatt-hours of electricity this year, a 10.7 percent rise over last year.

Ministry of Power Industry spokesman Jiang Shaojun said at least 600 billion kilowatt-hours have already been produced so far this year.

And during the January-August period, generators with 4.7 million kilowatts of capacity were installed, Jiang said. An additional 6.3 million kilowatts of capacity will be installed this year.

Four major power projects will be launched by the year 2000. They are:

—Joining all regional and provincial power grids into a united national network.

China now has five regional grids in the northern, northeastern, eastern, central and northwestern parts, covering 20 provinces, autonomous regions and municipalities.

The other 10 provinces and autonomous regions such as Shandong, Guangdong and Fujian have their own power dispatch systems.

The government originally expected a national network early the next century. The release says the linkage will be completed before the year 2000 as high economic growth requires.

For that, development of super-high voltage power transmission is necessary.

—Extending power supply to all rural areas. Now rural areas accommodating 120 million farmers have no power supply.

For that, the government encourages economically booming provinces to invest in power plant construction.

—A nationwide campaign to promote the development of energy-saving products and adoption of measures to use electricity economically.

—Developing clean coal firing technology, which is set as a major research and experiment item in policies

decided by the State Planning Commission and the State Science and Technology Commission.

China produces 1.1 billion tons of coal a year. The development of clean coal technology is of great significance as coal constitutes 75 percent of energy consumption.

To guarantee the long-term goal, the industry has decided on focus points in operations for the next six years. They include:

—To improve the industrial structure and accelerate construction of hydro power stations to reduce environment pollution and alleviate pressure on coal transportation by railways.

—To build several large thermal power plants near major coal mines in the provinces of Shanxi, Shaanxi, Henan, Guizhou and Yunnan and the western part of the Inner Mongolia Autonomous Region, all being major coal producers.

Electricity generated there will go to cities and provinces such as Beijing, Tianjin, Hebei, Guangdong and Shandong.

—To tap nuclear power resources further and build pump storage power plants.

By the year 2000, construction of nuclear power plants capable of producing a total of 8 to 10 million kilowatts per hour will have been launched.

Two nuclear power plants, in Guangdong and Zhejiang provinces, are now in operation, capable of generating a combined 2.1 million kilowatts per hour.

Further breakthroughs in the industry are expected with the introduction of foreign funds and the reform of the electricity pricing system.

Power Capacity Increased in Eastern Regions

OW1110080394 Beijing XINHUA in English 0706
GMT 11 Oct 94

[FBIS Transcribed Text] Shanghai, October 11 (XINHUA)—East China's power network has become the country's largest in terms of installed capacity, electric energy production and electricity consumption.

At present, the grid is equipped with generating units each with a capacity between 300,000 and 600,000 kilowatts and 500-kilovolt transmission lines in the main.

The network has increased its capacity threefold since the late 1970's when China began its national reform and opening-up drive.

It has built seven key thermal power plants each with a generating capacity of at least one million kilowatts and five hydroelectric power stations, and 500-kilovolt transmission lines totalling 2,300 kilometers.

It also has constructed the country's first 500-kilovolt direct current transmission line from the Gezhouba hydroelectric power station in the middle reaches of the Chang Jiang River, central China, to Shanghai at the Chang Jiang River estuary, two substations and the Qinshan Nuclear Power Plant in Zhejiang Province.

Last summer the grid supplied 485 million kwh a day at the peak, basically meeting the needs of the area including Shanghai and economically developed provinces of Jiangsu and Shandong.

East China's grid is expected to have a generating capacity of 55 million kilowatt by the end of this century.

State Bureau Reports Cement Production Figures

OW0910062394 Beijing XINHUA in English 0600
GMT 9 Oct 94

[FBIS Transcribed Text] Beijing, October 9 (XINHUA)—China has been the world biggest cement producer for nine successive years, with its annual output reaching 357 million tons in 1993.

According to the State Bureau of Building Materials Industry, the country's cement production was only 65.23 million tons in 1978.

During the 1990's, cement production has made an average increase of 50 million tons each year.

New techniques have been introduced into the cement industry to boost production and meet the needs of the rapid development of infrastructure industry in China.

The country now produces more than 20 kinds of cement.

Recently, the bureau has launched a cement industry development program in coastal areas, which has attracted foreign funds of over 1 billion U.S. dollars.

Since 1990, China has exported about 27 million tons of cement worth 1 billion U.S. dollars.

National Textile Industry Council Issues Figures

OW1110043694 Beijing XINHUA in English 0349
GMT 11 Oct 94

[FBIS Transcribed Text] Beijing, October 11 (XINHUA)—China has remained one of the world's largest textile producer and exporter by producing over 2.2 million tons of chemical fiber and 2.84 billion meters of textile products, according to the China National Textile Industry Council.

The council sources said China produced 3.48 billion garments in 1993, 5.2 times of that in 1978 as well as 5.02 million tons of yarn and 313,000 tons of knitting wool.

Since 1986, textile products have been China's largest export product, with the export value hitting 27.13 billion U.S. dollars in 1993.

According to the council, China has been the world's leading country in cotton spinning and weaving, silk spinning and weaving, dyeing and silk reeling, wool and gunny spinning and the production of chemical fiber and nylon.

By now, China has exported one seventh of the world's textile products and garments. The textile industry has provided one sixth of China's industrial output value and 10 percent of the gross profits in industrial production.

In the domestic market, the retail sales of textile products and garments account for one sixth of the total retail sales volume and the export volume by such products make up 30 percent of China's total export volume.

Over the past 15 years, China's textile industry has turned out 310 billion yuan in profits and taxes, equivalent to three times of the total investment by the Chinese Government. Meanwhile, the textile industry has earned 160 billion U.S. dollars for the country.

Forum Marks Anniversary of Qingzang, Chuanzang Highways

OW0910080194 Beijing XINHUA in English 0637
GMT 9 Oct 94

[FBIS Transcribed Text] Lhasa, October 9 (XINHUA)—A forum was held recently to commemorate the 40th anniversary of the operation of the Xining-Lhasa (Qingzang) and Chengdu-Lhasa (Chuanzang) highways in Lhasa, capital of southwest China's Tibet Autonomous Region.

Information from the forum disclosed that the central government has earmarked more than four billion yuan for the construction of more highways in Tibet since the Xining-Lhasa and Chengdu-Lhasa highways were put into operation in 1954.

So far, the mileage of highways built in Tibet reaches 21,842 km, of which, 1,477 km are graded roads. Highways now link up 77 percent of the autonomous region's townships.

The construction of more roads has greatly promoted the economic development of Tibet.

Civilian vehicles of the whole autonomous region have increased to 27,000 from only 54 when the above mentioned two famous highways were put into use 40 years ago.

The "Jiefang" brand trucks used in the past have now been replaced by "Dongfeng" brand heavy-duty trucks and imported ones.

Out of the 27,000 motor vehicles, 1,060 are buses, which run high and low across the Qinghai-Tibet plateau and transport 400,000 passengers a year.

'Bumper Harvest' Expected for 1994

HK0910031794 Beijing ZHONGGUO XINWEN SHE
in English 0354 GMT 8 Oct 94

[FBIS Transcribed Text] Beijing, October 8 (CNS)—Despite the severe natural disasters, China sees a bumper harvest in its agriculture this year with output of main agricultural products and non-staple food as well as average possession all increased.

The gross yield of grain is expected to be only lower than that of last year. Purchase for summer grain exceeds the state order quota in quantity and early rice purchased by the state surpasses the order quota by 1.5 billion kilograms. Cotton planting area is more than 81 million mu and cotton yield is expected to be over 4.25 billion kilograms. Planting area and gross yield of oil-bearing crops hit the record with gross yield of summer rapeseed increasing by 7.4 percent over last year and gross yield of autumn oil-bearing crops also increasing.

Animal husbandry has been developing steadily with output of meat, poultry, eggs and milk all increasing. The total meat output will be expected to reach 41 million tonnes this year, 6.7 percent up over that of last year. Output of poultry and eggs are expected to be 12.2 million tonnes, 3.5 percent up. Milk output will reach 5.7 million tonnes with an increase of 1 percent over last year.

Gross vegetable yield shows an obvious growth over that of last year. Land for vegetable planting has increased by over 126 million mu, whereas protected land for vegetable cultivation increased by over 500,000 mu over last year.

Aquatic product industry has maintained its fast developing tendency. By July, gross output of aquatic products had reached 8.22 million tonnes, 20 percent up over the corresponding period of last year. The total year-round output of aquatic products is expected to surpass 20 million tonnes.

National 'Harvest Program's' Success Noted

OW1110024894 Beijing XINHUA in English 0143
GMT 11 Oct 94

[FBIS Transcribed Text] Yinchuan, October 11 (XINHUA)—China has added 26.8 billion yuan in agricultural output value in the past seven years thanks to the national "harvest program" which aims to boost agriculture production by extending applicable technologies.

According to a national conference held here, China has implemented a total of 147 projects in 30 provinces and autonomous regions as well as 14 cities which enjoy privileges in national planning.

The program, which involves the efforts of agriculture, technological extension, scientific research, education,

production as well as departments of finance, financial institutions and material supply, has cost the country 16.5 billion yuan.

The central and local governments have provided 16 million tons of chemical fertilizer, 226,000 tons of plastic sheets, 3.17 million tons of fodder and 7.9 million tons of diesel oil.

Meanwhile, China has invited over 20 agriculture experts to examine these projects so as to make each project a success.

Such efforts have been paid off as comprehensive production technologies have been applied in 70 million hectares of land for the production of grain, cotton and edible oil from 1987 to 1993. High quality domestic poultry, fisheries, vegetables have also been produced.

According to an official from the Ministry of Agriculture, China has carried out another 20 projects this year and the state government is ready to inject another 50 million yuan in the program in 1995.

Poverty-Alleviation Funds To Increase, Farmers Benefit

HK1010055094 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 9-15 Oct 94 p 8

[By Wu Yunhe: "Anti-Poverty Funds To Get Major Boost"]

[FBIS Transcribed Text] The central government will increase its special poverty-alleviation funds by 2 billion yuan (\$233 million) annually, starting this year.

The goal is to support nationwide efforts to eliminate poverty in the countryside and to enrich Chinese farmers, 80 million of whom now live below the poverty line—500 yuan (\$58.14) at 1990 constant prices.

By the end of 2000, all Chinese farmers are expected to see per capita annual incomes above the poverty line.

The financial policy formulated by the government stipulates that at least 10 percent of the country's investment shall be poured into the countryside this year, up from 6 percent last year.

The country's fixed-assets investment is expected to surpass 1,300 billion Yuan (\$151 billion) this year, up 117 billion yuan (\$13.6 billion) from last year.

But the money flowing to the countryside will still be small compared with the annual funds used by the country's industries, agriculture analysts say.

In order to increase agriculture inputs the government is taking steps to grant a 1 billion yuan (\$116 million) special investment allocation annually from this year.

The money will be used to pay farmers who participate in the poverty-alleviation projects set up by the government across the countryside.

Another 1 billion yuan (\$116 million) of the government-promised special poverty-alleviation funds are expected to be low-interest loans.

The loans will be disbursed by the State agricultural policy lending bank, the Agricultural Development Bank.

The government's money will be used to focus on several agriculture-related projects to make farmers self-sufficient to generate enough funds for future development of agricultural resources in poverty-stricken areas.

The projects will include development of drinking water resources, transportation, electricity generation, education, and medical utilities.

The Ministry of Agriculture said that farmers' income is expected to increase by 5 percent this year after taking inflation into account.

The ministry is striving to enrich farmers' wallets but 5 per cent will be a hard-earned target for farmers as well as for local agriculture officials.

Problems hampering the ministry's efforts include shrinking farmland due to rural industrialization, soil erosion, and excessive use of chemical fertilizers and pesticide.

The gap between rural and urban per capita income growth is widening, arousing the government's serious concern.

"We are focusing agricultural development through technology development in order to ensure healthy development of the rural economy," said a ministry official.

Last year, per capita income of rural residents reached 921 yuan (\$107 yuan), up 3.2 percent from the previous year allowing for inflation.

By contrast, urban per capita income chalked up an annual inflation-adjusted growth of 10.2 percent to hit 2,337 yuan (\$272) last year.

Farmers Contribute To Growth of Market Economy

*OW0810115194 Beijing XINHUA in English 0850
GMT 8 Oct 94*

[FBIS Transcribed Text] Beijing, October 8 (XINHUA)—The establishment of markets has not only offered a place for Chinese farmers to sell their goods but also benefit them economically, according to the MARKET NEWS.

A survey shows that farmers' income in the first half of this year increased by 13.3 percent as compared with the same period of last year.

At the same time, the national commercialization rate of agricultural produce rose by 23.3 percent.

At present China has over 70,000 markets and fairs and 10,000 wholesale markets for farm products and other special markets in the rural areas.

The Chinese farmers are able to turn out 450 billion kilograms of grain, up from 300 billion kilograms in 1978 when the country began rural reform.

The Chinese farmers have produced enough grain for the consumption of 22 percent of the world's population on only seven percent of the world's arable land.

In addition, tens of thousands of new towns have been constructed as a result of burgeoning township enterprises.

Farmers in newly-built towns have set up factories, installed telephones and introduced insurance and modern commerce.

Moreover, many desolate villages in remote mountainous areas have been built into modern towns.

China Building Asia's Largest Fruit Market

*OW1010121894 Beijing XINHUA in English 1159
GMT 10 Oct 94*

[FBIS Transcribed Text] Shenyang, October 10 (XINHUA)—China will have Asia's largest comprehensive fruit market in three years, according to sources at a fruit exhibition held in the province's Huludao city.

The market, now under construction, will occupy an area of 40 ha [as received] and is expected to absorb some 150 million yuan of investment, said Yang Jincheng, director of the city's agriculture and animal husbandry bureau.

He said that both Chinese and foreign investors are welcome to participate in the building of the market, which is designed for purchasing, wholesaling, storing and processing fruits.

Known as Jinxi city before September 20, Huludao city produces a variety of fruits, such as apple, pear, haw, grape and peach.

Since 1991, the city has been exporting some 3,000 tons of fruits to Singapore, Malaysia, Russia and Hong Kong every year, earning more than one million U.S. dollars in foreign exchange.

To date, the city has established business relations with the Netherlands, the United States, Japan and Italy.

East Region**Anhui Vice Governor on Commodity Price Control**

OW1010115194 Hefei ANHUI RIBAO in Chinese 26 Sep 94 p 1

[By reporter Lin Jinglin (0491 7231 2651): "Zhang Runxia Hears Provincial Price Inspection Groups' Reports, Underscores Firmness in Controlling Inflation"]

[FBIS Translated Text] On 21 September, Anhui Vice Governor Zhang Runxia, after hearing reports given by groups the provincial government sent to various places to inspect the price situation, stressed that the determination to stabilize commodity prices and control inflation must be firm. She said: Governments at all levels must take positive and effective measures to achieve the goal set by the provincial government that, by the end of September, the price index will be 3 to 5 percentage points lower than the current level.

According to the inspection groups' feedback, the guidelines the provincial government laid down during its 19 August teleconference were fairly well heeded in all parts of the province. Leading groups were set up in all places to tighten control over price rises. The momentum of price rises was basically halted, the supply of the four types of major commodities—grain, cooking oil, meat, and vegetables—was stable, and the public was calm.

Zhang Runxia pointed out: The fight against inflation is a long-term task. We should never slacken our efforts in this area. Lowering the price index by 3 to 5 percentage points is the preliminary goal set by the provincial government, and this goal must be reached without fail. Starting in October, a monthly price control target will also be set. In the immediate future, efforts should be directed at key issues, and governments and departments at all levels must give priority to dealing with the problems in their areas and departments. Food departments must give priority to improving the rice quality and service of state-owned grain stores; business departments must have measures for encouraging farmers and other localities outside Anhui to sell vegetables in cities and for cracking down on market irregularities; and departments in charge of prices and technical affairs should tighten their supervision over price calculations and measurements, and provide the basis for controlling prices and markups.

Brief Biographies of Fujian Secretary, Governor

HK0710143294 Hong Kong WEN WEI PO in Chinese 7 Sep 94 p F1

[Report: "Fujian Party Secretary Jia Qinglin Makes Outstanding Achievements in Work, Is Very Capable; Many Ministries and Provinces Ask the Central Authorities For His Transfer; Fujian Governor Chen Mingyi Graduated From Jiaotong University and Continued His Studies in Norway"]

[FBIS Translated Text] Jia Qinglin was born in a peasant family in Botou, Hebei in 1940. He joined the CPC while studying in the Electric Power Department of the Hebei Engineering College in 1959. On his graduation from the college in 1962, he was assigned to the post of technician at the Complete Set Bureau of the First Machine-Building Ministry for his outstanding scholastic achievement. In 1969, he was regarded as belonging to the "conservative faction," for expressing in words and deeds his resentment toward criticizing and struggling against large numbers of old cadres and old specialists in the Cultural Revolution. In addition, because his wife was an Overseas Chinese student from Malaysia who had connections abroad, his pregnant wife and he were transferred to the Jiangxi May 7th Cadre School. On the evening before their departure from Beijing, his colleagues and friends invited them to a farewell dinner and ate instant boiled mutton. Jia Qinglin sighed with feeling and said: "Since our family has overseas connections, it seems we will not be able to come back to Beijing for the rest of our lives."

In the May 7th Cadre School, Jia Qinglin, who was 1.8 m tall and able to bear hardship and stand hard work, soon was elected a platoon commander, and then a company instructor. After that, he began his career in "official circles." The platoon and company to which Jia Qinglin belonged were originally units with many knotty problems. After he became the platoon commander and company instructor, the platoon and the company took on a new look and became advanced units. While he was in the May 7th Cadre School, Jia Qinglin took good care of old cadres and specialists who were persecuted and sent to reform themselves through labor, and he created conditions for them to resume their work. Four years later, Jia Qinglin was transferred back to the First Machine-Building Ministry, where he—together with Minister Zhou Zijian—was elected delegate of the First Machine-Building Ministry to the 11th CPC National Congress. After that, he successively took up the posts of person in charge of the Product Management Bureau of the First Machine-Building Ministry, general manager of the China Machine and Equipment Import and Export Corporation, and plant director and party committee secretary of the Taiyuan Heavy-Duty Machinery Plant.

During the Cultural Revolution, there was serious confrontation between the two factions of the Taiyuan Heavy-Duty Machinery Plant. They once made tanks and resorted to violence in the streets. This was known to the whole country. After he assumed office there, he soon eliminated the confrontational sentiment between the two factions. They united as one to develop production, and the plant took on a new look. This again clearly showed his outstanding leadership ability. Several ministries and commissions of the central authorities, as well as several provinces and municipalities held discussions with the central authorities on transferring him to important posts. In 1985, Jia Qinglin was transferred to work in Fujian, where he successively took up the posts of

deputy secretary of the Fujian Provincial CPC Committee, vice governor, and acting governor. In April 1991, he became the governor of Fujian. At present, he is secretary of the Fujian Provincial CPC Committee, chairman of the Standing Committee of the Fujian Provincial People's Congress, and member of the 14th CPC Central Committee.

Possibly because his wife, Lin Youfang, was an Overseas Chinese who returned to study in China from Malaysia in the 1950's, Jia Qinglin has a better understanding of, attaches greater importance to, and treasures more the patriotic feelings of his fellow villagers residing abroad. Since he came to work in Fujian, he has attached great importance to giving play to the strong points of Overseas Chinese, and fellow villagers have enthusiastically made investment in their villages, thus promoting the development of opening up and economic construction in Fujian. In May this year, General Secretary Jiang Zemin inspected Fujian. He affirmed the tremendous achievements made by Fujian, and hoped the province would continue to give play to its strong points of being close to Taiwan and of having many Overseas Chinese.

Chen Mingyi was born in Fuzhou, Fujian, on 13 August 1940. Beginning in 1957, he studied in the Ship-Building Department of Shanghai's Jiaotong University, graduating in 1962. Beginning in 1962, he studied ship hydro-mechanics in the Postgraduate School of Shanghai's Jiaotong University, graduating in 1966. From 1966 to 1974, he taught at Shanghai's Jiaotong University. From 1974 to 1984, he successively took up the posts of the deputy director, director, and associate professor of the Fishing Engineering Department, and vice president of the Xiamen Aquatic Product College. During this period, he furthered his studies as a visiting scholar for one year at the Norway Polytechnic and the Norway Oceanic Research Center. He compiled "Principles of Ships" and five other textbooks, and published more than 10 theses in academic publications at the provincial and national levels, and in foreign academic publications. From 1984 to 1985, he took up the posts of deputy director and then director of the Fujian Provincial Science and Technology Committee. From 1985 to September 1993, he took up the posts of vice governor of Fujian Province and member of the Standing Committee of the Fujian Provincial CPC Committee. In September 1993, he took up the post of deputy secretary of the Fujian Provincial CPC Committee. In April 1994, he was elected governor of the Fujian Provincial People's Government. He has been a candidate member of the 12th, 13th, and 14th CPC Central Committees.

Jiangsu CPPCC Standing Committee Opens Session

OW0810140394 Nanjing XINHUA RIBAO in Chinese
25 Sep 94 p 1

[By Zheng Xie (6774 0588): "The Eighth Session of the Seventh Provincial CPPCC Committee Standing Committee Opens"]

[FBIS Translated Text] The eighth standing committee of the seventh provincial committee of the Chinese People's Political Consultative Conference [CPPCC] opened session in Nanjing yesterday. Sun Han presided.

The session has three items on its agenda: 1) to hear and discuss a report by Wang Rongbing, vice governor, on the development of an open economy in Jiangsu and a report by Li Mingchao, deputy secretary of the provincial political and law commission and director of the provincial public security department, on Jiangsu's comprehensive tackling of public order problems; 2) to discuss and approve the "Motion on Improving Non-physical Foreign Investment Environment" and the "Motion on Strengthening Comprehensive Tackling of Public Order Problems"; and 3) to approve the namelist of new members of the seventh provincial CPPCC committee elected in by-elections.

Wang Rongbing said in his report: In the course of expanding economic opening up to the outside world since the beginning of this year, Jiangsu has earnestly carried out foreign trade structural reform in an effort to explore and establish an operating mechanism compatible with the prevailing international practice so as to engage in extensive international economic and trade activities. The province has also firmly implemented a strategy of diversifying the market and increasing its export by improving its product quality. It has actively used foreign capital and vigorously undertaken projects that use a higher proportion of foreign investment and new technologies and that are large in size and have a promising market. It has continuously expanded foreign economic and technological cooperation and raised Jiangsu's capacity and level in undertaking international projects. It has actively developed tourism and worked hard to explore new areas to earn foreign exchange through nontrade activities. It has established a system for evaluating performance in developing an export-oriented economy and strengthened the decisionmaking process and guidance for the establishment of a province-wide open economy. As a result, we have made new progress in the development of an open economy in Jiangsu.

He pointed out: We must vigorously develop an open economy and implement the strategy of "promoting economic relations and trade on a large scale." We must continue to implement foreign trade structural reform to help Jiangsu's foreign trade enterprises link up with the international business community. We must continue to build different kinds of developed zones in various parts of the province by setting up a minimum requirement and a higher standard in both planning and construction. We must actively attract businesses and investment and maintain strong momentum in the use of foreign capital. We must comprehensively develop and use tourist resources and strive to expand service trades. We must step up personnel training for an open economy and establish an international economic and trade network as soon as possible. We must establish a system for the

comprehensive evaluation of the province's work of establishing an open economy and a decisionmaking and support system. We must strengthen the study and drafting of the Ninth Five-Year Plan within the framework of an open economy. We must strengthen leadership over the work of establishing an open economy and do a good job of combating corruption and building a clean government.

Li Mingchao said in his report: Since the beginning of this year, while concentrating on accelerating reform and development, party committees and governments at all levels in the province have attached great importance to maintaining social stability. At present, public order in the province is generally good. However, under the circumstances of rapid economic development and great social changes, public order has been subject to the influence of many factors and is facing enormous problems in the new situation. From now on, we must continue to struggle to sternly crack down on serious criminal offenses and make concentrated efforts to improve public order in urban and rural areas. We must set a deadline for changing public order conditions in select areas, units, and sectors. We must comprehensively consolidate and strengthen urban and rural grass-roots party and government organizations to truly make them strong combat bastions. We must establish and perfect public order safeguards, mediation organs, and ranks of ordinary people to prevent and fight crime, and we must make full use of their roles. We must comprehensively push the tackling of public order problems, strengthen grass-roots foundation work, and establish public order safeguards and crime prevention mechanisms to create conditions for sustained improvement of public order.

Vice Chairmen Duan Xushen, Chen Suiheng, Zhang Chenzhuan, Peng Sixun, Xu Yingrui, Han Wenzao, Tong Fu, Sha Renlin, and Dai Shuhe, and Secretary General Wu Rong attended the session.

Jiangsu To Inspect Enforcement of Law

OW0810140194 Nanjing XINHUA RIBAO in Chinese
25 Sep 94 p 1

[By reporters Chai Jingwei (2693 4842 4885) and Jin Weixin (6855 0251 1823): "The Provincial People's Congress Standing Committee Decides To Inspect Enforcement of the 'Law Against Unfair Competition'"]

[FBIS Translated Excerpt] To encourage and protect fair competition, halt unfair competition, protect the legitimate rights and interests of producers and consumers, and promote the healthy development of the socialist market economy, the provincial people's congress standing committee has decided to conduct unified inspections of progress in enforcing the "Law Against Unfair Competition" throughout the province. In a joint session on the morning of 24 September, the provincial people's congress standing committee's group for inspecting the enforcement of the "Law Against Unfair

Competition" heard briefings by the people in charge of relevant departments, including the provincial industry and commerce, electric power, and postal and telecommunications bureaus, on progress in enforcing the law.

Zhang Yaohua, vice chairman of the provincial people's congress standing committee and head of the inspection group, chaired the briefings.

Yu Xingde, vice governor, attended the briefings and delivered a speech. He emphatically said: The provincial people's congress standing committee's decision to conduct provincewide inspections of progress in enforcing the "Law Against Unfair Competition" is essential. The inspections will give yet another impetus to our province's enforcement of the "Law Against Unfair Competition." Through the inspections, governments at all levels, especially administrative and law enforcement departments, will further heighten their awareness of the need to act in accordance with the law. Governments at all levels and their relevant departments should earnestly perform the functions conferred on them by law, exercise their administrative powers in strict accordance with the law, step up efforts to supervise and inspect market activities, protect fair competition, stop unfair competition, rigorously investigate and deal with all manner of unfair competition, and make earnest efforts to ensure the observance and strict enforcement of the law. Governments at all levels should constantly heighten their legal awareness and earnestly prepare themselves for accepting the inspection group's supervision, inspections, and guidance. To ensure our province's effective enforcement of the "Law Against Unfair Competition," they should seriously study measures for making improvements in light of the problems identified by the inspection group, and based on the suggestions made by the group. [passage omitted]

The inspections are primarily aimed at coordinating self-inspection by various cities and counties. The provincial people's congress standing committee's group for inspecting the enforcement of the "Law Against Unfair Competition" will send two delegations to Nanjing, Wuxi, Nantong, and Yancheng cities in early October to conduct joint inspections with local authorities.

Jinan Military Region Studies Plenum Guidelines

SK0910032094 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 8 Oct 94

[FBIS Translated Text] On 4-8 October, the party committee of the Jinan Military Region held an enlarged plenary session to conscientiously study and implement the guidelines of the fourth plenary session of the 14th party Central Committee.

Song Qingwei, secretary of the Jinan Military Region party committee and regional political commissar, and Zhang Taiheng, secretary of the regional party committee and regional commander, respectively chaired and made important speeches at the session.

Song Qingwei pointed out in his speech: In the course of conscientiously studying and implementing the guidelines of the fourth plenary session of the 14th party Central Committee, all units across the region should make efforts to grasp the key issues as follows: First, unwaveringly study the theory on building socialism with Chinese characteristics, and educate the broad masses of officers and men to maintain that the basic line of the party must not be shaken for 100 years. Second, enhance the principle of party spirit and upgrade the combat effectiveness of party organizations. Third, upgrade the quality of implementing systems and actually penetrate democratic centralism into party committee policy decisions and the leadership of the party. Fourth, bring into better play the party committees' role as the core of the leadership; the party branches' role as powerful fighting forces; and party members' vanguard, exemplary, and leading roles. Fifth, expand the dynamics of strictly administering party affairs, and consolidate the party's absolute leadership over the army.

In his speech, Zhang Taiheng urged that levels to work out measures for further enhancing party building to satisfactorily accomplish all work tasks for 1994.

Shanghai Paper Analyzes Embezzlement Trends

OW0910104294 *Shanghai JIEFANG RIBAO* in Chinese
22 Sep 94 p 9

[By Zhong He (6988 3109): "Strengthen Auditing Supervision, Guard Against Power Abuse for Monetary Gain: An Analysis of Embezzlement of Public Funds"]

[FBIS Translated Excerpt] In recent years, cases concerning embezzlement of public funds and the amount involved, which were handled by courts in Shanghai, have increased sharply, becoming a serious problem in the current economic crimes. According to statistics, in 1992 the courts tried 75 embezzlement cases involving 107 offenders, up 85.93 and 109.8 percent respectively over 1991. In 1993, 71 cases involving 83 offenders were tried. Although the figures decreased slightly, the amount of funds embezzled rose 366 percent as compared with 1992. In the first six months of this year, the courts accepted 67 cases involving 74 offenders, up 204.55 and 184.62 percent respectively over the same period last year, while the total amount of funds embezzled increased 12.66 times, with one case involving a value as high as 20 million yuan. An analysis of 55 cases already concluded by the courts since the beginning of this year shows the following features of embezzlers:

The ages of criminals became younger: The average age of 60 criminals in the 55 cases was 32.2. Of these, 27, or 45 percent, of the criminals were in their twenties; 20, or 33.4 percent, in their thirties; 12, or 20 percent, in their forties; and only one, or 1.6 percent, was 50 or above. Young female criminals were rather eye-catching; there were 10, accounting for 16.6 percent of the total. [passage omitted]

Most of the criminals were staff members of party, government, and administrative law enforcement organizations and economic management departments; of the 60 criminals found guilty, 56, or 93.33 percent, were state functionaries. Of these, 14, or 23.33 percent, were leaders of government administrative departments or senior officials of economic entities, who abused their powers and positions in instructing financial personnel to use various means to illegally procure or transfer large amounts of foreign exchange for their own use or for use by others; 25, or 41.66 percent, were accounting, cashier, and other financial personnel; 13, or 21.67 percent, were stock exchange or bank employees; and four, or 6.67 percent, were enterprise marketing personnel.

Sophisticated means were used in committing crimes: Most embezzlers had good educational backgrounds and a high level of intelligence. They dared to use the technology at their disposal to carry out risky, lucrative activities against the law. For example, exploiting automated stock transactions, stock exchange employees diverted public funds and used advanced computer technology to speculate with fast changing stock quotations. Since they used covert means to commit crimes in a short period of time, they could not be easily detected. [passage omitted]

Amounts of funds embezzled were huge: Public funds embezzled in the 55 cases totaled 34.6068 million yuan, averaging some 629,200 yuan per case. The minimum amount of funds embezzled was 10,000 yuan; and the maximum, 7.99 million yuan. Of these, 10, or 18.18 percent, were cases each involving 50,000 yuan and under; 31, or 56.36 percent, between 50,000 to 500,000 yuan; and 14, or 25.46 percent, over 1 million yuan. [passage omitted]

Motives for the crimes were varied: Most of the criminals embezzled public funds to seek illegitimate profits. Of the 60 criminals, 23, or 38.33 percent, embezzled public funds for individual speculation and monetary gains in stock markets; 14, or 23.33 percent, loaned embezzled public funds at high interest rates to others for stock speculation; eight, or 13.33 percent, used embezzled public funds for personal operational undertakings; nine, or 15 percent, embezzled public funds to purchase commercial housing, automobiles, motorcycles, stereo equipment, color TVs, or other high-grade consumer goods; and three, or 5 percent, used the embezzled funds in gambling and paying off back debts.

Crimes were committed time and again: Due to the inadequate management system and lack of sound supervisory mechanisms in units where crimes occurred, criminals could easily embezzle public funds, thus inducing and stimulating their greed for more monetary gains. Although some criminals were caught, lenient treatment prompted them to repeatedly commit crimes. [passage omitted]

In addition to factors of individual criminals, loopholes in the management system of units concerned were also a major cause for embezzlement:

(1) Enterprises and institutions lacked a stringent financial management system and effective supervisory measures. [passage omitted]

(2) Banking and stock institutions were devoid of necessary functions to oversee outside activities, and of essential internal systems for mutual supervision and inspection and for rotational work assignments. [passage omitted]

(3) Leaders failed to strengthen their sense of responsibility and to exercise effective auditing supervision. [passage omitted]

(4) Ideological and political work was slack. [passage omitted]

(5) The awareness of laws was weak. [passage omitted]

While trying cases, courts at various levels in Shanghai held public trials in a bid to conduct the publicity and education among cadres and workers of units concerned. Moreover, the courts also paid attention to identifying loopholes in the work and management systems of units concerned and made judicial suggestions in good time to competent authorities, so as to help units improve work, stop loopholes, and prevent the occurrence of crimes, thereby obtaining good social benefits.

Robber, Thief Executed in Shanghai

OW0810140094 Shanghai JIEFANG RIBAO in Chinese
22 Sep 94 p 3

[By Mao Hezhen (5403 7729 2182): "Shanghai Railway Intermediate Court Sentences Two Criminals to Death"]

[FBIS Translated Text] The Shanghai Railway Transportation Intermediate Court on 21 September concluded the trial of two major criminal cases. In accordance with the municipal higher court's decree on the enforcement of the death sentence, robber Lin Jianqing and thief Song Minghui were escorted to the execution ground and executed by shooting.

It is understood that the Shanghai Railway Transportation Court has launched a special drive to try robbery and theft cases since last August; and has so far met out swift and severe sentences to some 170 criminals in 65 cases.

Shanghai's Economic Growth Noted

OW0910052394 Beijing XINHUA in English 0317
GMT 9 Oct 94

[FBIS Transcribed Text] Beijing, October 9 (XINHUA)—The gross national product (GNP) in the suburbs of Shanghai, the largest city in China, amounted to 33.8 billion yuan in 1993, increasing with an annual rate of 10.5 percent for over the past 40 years.

The economy in Shanghai's suburbs has grown most quickly since China started its reform and opening policy 15 years ago. The 1993 GNP was 5.2 times that of 1978.

Statistics show that the peasants' per capita income in the suburbs was 2,727 yuan, far above the national level.

Since 1990, the municipal government has poured nearly 1 billion yuan in building and restructuring agricultural production bases.

As a result, the suburbs are able to provide more pork, eggs, milk, vegetables and aquatic products for urban residents.

Rural enterprises have become a new pillar in Shanghai's economy.

Figures show that in 1993, 53 percent of Shanghai's increased industrial output value was made by rural enterprises, and the rural industry gained a profit of over 4.2 billion yuan while paying taxes of 2.85 billion yuan.

Last year, the number of rural enterprise groups rose to 55, and there are 160 rural enterprises with an output value of 50 million yuan and a net profit of more than 5 million yuan each.

In recent years, Shanghai has also fueled about 100 million yuan in repairing and building 37 scenic spots in the suburbs to construct a tourism line from Taihu Lake, northeast of the city, to the East China Sea, east of Shanghai, which received 1.3 million foreign and Chinese tourists in the first eight months this year.

Shanghai Continues To Attract Foreign Funds

OW0910055594 Beijing XINHUA in English 0257
GMT 9 Oct 94

[FBIS Transcribed Text] Shanghai, October 9 (XINHUA)—Shanghai, a commercial and industrial center of China, has been one of the most attractive spots for foreign investors, and it has maintained a strong momentum of using foreign funds this year.

Between January and September this year, Shanghai approved 3,015 foreign-funded projects with contract foreign funds reaching over 7.7 billion U.S. dollars.

By the end of last month, Shanghai had approved a total of over 10,000 foreign-funded projects with a combined foreign funding of over 21.4 billion U.S. dollars.

China's first foreign-funded firm was founded in Shanghai—the Sino-Polish Shipping Company. The company was set up by the Chinese and Polish Government in June 1951.

Since China started its reform and open policy in 1979, foreign-funded companies mushroomed in Shanghai.

Between 1979 and 1989, the city approved 708 foreign-funded enterprises.

In particular, the Chinese Government's decision to develop the Pudong New Area in April 1990 has injected new energy into the economic prosperity of Shanghai. Overseas funds have poured into the zone.

The Shanghai Municipal Government approved 2,012 foreign-funded projects in 1992 with a foreign investment of 3.35 billion U.S. dollars, and 3,650 projects in 1993 with a foreign investment of 7.01 billion U.S. dollars.

The foreign funds come from 54 countries and regions. They include Hong Kong, Japan, the United States, Singapore, Britain, Germany, Australia and Taiwan.

Hong Kong has been the biggest investor in Shanghai. It now has 1,266 projects with a total investment of nearly 5 billion U.S. dollars.

Shandong's Yintan Beach Attracts Foreign Investment

OW1010133994 Beijing XINHUA in English 1306
GMT 10 Oct 94

[FBIS Transcribed Text] Weihai, October 10 (XINHUA)—The Yintan Beach tourism and vacationing area in east China's Shandong Province has become a hot spot for foreign investment.

Experts and scholars from the National Tourism Administration, Qinghua University, China Urban Planning and Design Academy and some other organizations completed a thorough study of the area's investment environment, which includes its geographical location, climate conditions and tourism resources.

The 66-sq-km coastal area, a combination of hills, lakes, forest resources, islands and harbors, is a multi-purpose tourism resort.

More than 200 million yuan (23 million U.S. dollars) has been invested in the area's infrastructure since July 1992.

He said the area now has nine developed scenic spots, four macro sea water bathing farms and a golf course.

Some 100 Chinese and overseas firms have come to invest in the area, with the total amount coming to more than 150 million yuan (17.2 million U.S. dollars) in domestic funds and 80 million U.S. dollars in foreign funds.

The experts and scholars agreed that the Yintan Beach can be made an international tourism and vacationing center, as it enjoys ideal ecological features.

Zhejiang Plans New, High-Tech Industry Growth

OW1010080994 Beijing XINHUA in English 0748
GMT 10 Oct 94

[FBIS Transcribed Text] Hangzhou, October 10 (XINHUA)—East China's Zhejiang Province has mapped out a plan for the development of new and high-tech industry as a power house for local economy.

According to the plan, Zhejiang's overall economic and social development will reach the present standard of economically-developed countries by the year 2010.

An official of the provincial commission of science and technology said that Zhejiang has had a sound foundation for the development of the electronics information, electronic-machinery, bio-engineering, new materials, energy-efficient and environmental protection industries.

At present, the province has set up an electronics industrial corporation, which has 316 enterprise members.

These enterprises generated output value totalling 7.42 billion yuan and exported 1.223 billion yuan worth of goods last year.

Zhejiang has equipped its industrial enterprises with imported equipment including numerical control machine tools, intelligent instruments and meters, speed-control electrical machinery and photoelectro-medical facilities.

While applying research findings to new materials production, Zhejiang has made progress in transforming and modernizing its traditional industries including chemicals, machinery, building materials, silks, textiles, light industry and food processing.

At present, the new and high-tech industries generate an annual output value between seven billion yuan and eight billion yuan a year.

By the year 2000, according to the official, Zhejiang's new and high-tech industrial output value will amount to 80 billion yuan a year, accounting for ten percent of the gross output value of the province, and the export of high-tech products will account for at least ten percent of the province's total.

Central-South Region

Guangdong Secretary Xie Fei Discusses Fourth Plenum

HK1110110494 Guangzhou Guangdong People's Radio Network in Mandarin 1000 GMT 8 Oct 94

[FBIS Translated Text] The Third Plenary Session of the Seventh Guangdong Provincial CPC Committee was convened [date indistinct] to relay and implement the instructions of the Fourth Plenary Session and arrange the work of strengthening party building. During the meeting, Governor Zhu Senlin relayed the instructions of the Fourth Plenary Session of the 14th CPC Central Committee. Xie Fei, member of the CPC Central Committee's Political Bureau and secretary of the provincial party committee, made an important speech on behalf of the provincial party committee's Standing Committee.

The meeting pointed out: Seriously studying and resolutely implementing the Central Committee's decision and Comrade Jiang Zemin's speech has major and

far-reaching significance for further strengthening the province's party building, for improving party leadership, for resolutely carrying out the party's basic line, for promoting reform and construction, and for bringing about basic modernization in 20 years.

The meeting analyzed the current situation of party building in the province and examined and ratified the provincial party committee's suggestions on implementing the CPC Central Committee's decision on strengthening party building and other major issues. These suggestions are divided into four parts: 1) Paying close attention to the leadership groups' ideological and style formation; 2) further upholding and perfecting democratic centralism; 3) seriously training and selecting leading cadres; and 4) earnestly strengthening grass-roots party organizations.

The meeting pointed out: These suggestions fully embrace the spirit of the Fourth Plenary Session, give prominence to the focal points in light of Guangdong's specific conditions, and have a strong operational nature.

The meeting set requirements for all levels of leaders on maintaining an enterprising spirit, on correctly handling the relationship between reform, development, and stability, on bringing about modernization in Guangdong, on exploring domestic and international markets, and on making great efforts for better agricultural production.

Flooding Slows Guangdong Anti-Inflation Drive

HK0710131394 Beijing ZHONGGUO XINWEN SHE
in English 0933 GMT 7 Oct 94

[FBIS Transcribed Text] Guangzhou, October 7 (CNS)—Following the sharp price rise in last July, Guangdong saw its price index of commodity retail sales growing by 22.3 percent last August, ranking the province eighteenth among the 31 provinces and cities at provincial level in the country. The index of cost of living of residents in the province increased by 24.2 percent last month, placing the province at twenty-first in the country.

The growth of price last month in the province remained at the same level of the month before, according to sources from the provincial government.

Though there has been a weakening impact from last year's inflation on price rise in the second half of this year, the price hike situation is still very serious in the province because of the upward policy-oriented adjustment of prices of some commodities including grain in the first half year, the rapid growth of residents' wage income and the approaching of the busy investment-season of fixed assets.

The province's efforts for curbing price rise in the first half year made little result since the flood disaster took place in many places there while some flood-stricken places saw their grain price rising by 30 to 40 percent within several days. After the issuance of an urgent

circular on controlling price, the price-skyrocketing in some places was curbed but rise of price for foodstuff and in rural areas is still worrisome.

Experts held that it was quite difficult for Guangdong to realize its goal of controlling its whole year's general price rise within 12 percent which was set by the provincial government early in the year. Such a price rise in this year as a whole is predicted to be about 18 percent and the province is striving for curbing this year's price rise and making it slightly lower than last year's 18.2 percent.

According to the director of the Guangdong Provincial Price Administration, Mr. Jiang Shanli, the province will adopt both legal and economic measures to fight against inflation in the province in the future.

The province set 1994 as the "year of legislation" and legislation on price in the province is in full swing with two regulations on management over educational and medical charges already going into effect.

According to Mr Jiang, the province will this year put into force another three ordinances on supervision and administration over commodity price, charges of service businesses and antimonopoly and anti-colossal profits.

Its economic measures include the setting up and improvement of a price-regulation fund system and an important commodities' reserve system in a bid to deal with emergencies occurring under abnormal circumstances.

The price-regulation fund system has to date been available in 12 cities out of the 21 cities at prefectural level in the province. Such a fund in Guangzhou has had RMB [renminbi] 60 million in place out of its total goal of RMB 80 million. The Province has so far also set up special funds for regulating prices for electricity, chemical fertilizer and nonstaple foodstuff.

It is reported that the province will not allow new price rise in the remaining months this year and it will focus its efforts on curbing price rise of grain and vegetables in circulation in a bid to ease the price situation next year.

Guangzhou Curbs Passport Sales, Unauthorized Tours

HK0710102094 Hong Kong SOUTH CHINA MORNING POST in English 7 Oct 94 p 12

[By Josephine Ma]

[FBIS Transcribed Text] Guangzhou travel authorities will hold a meeting next week with all travel agencies in the city to curb the illegal sales of passports and unauthorized tours to Hong Kong and Macao.

A spokesman for the city's Tourism Bureau admitted the tourist industry in Guangzhou was "complicated" and "chaotic".

The authorities were alarmed by the increasing number of complaints from customers cheated by travel agencies, the official said.

A "Travel Rectification Bureau" has been set up under the City Travel Bureau to organise the clampdown, he said.

Illegal practices among travel agencies included the illegal sale of passports by "co-operating" with subsidiary companies run by the Public Security Bureau (PSB).

Some travel agencies also arranged tours to Hong Kong and Macao illegally, he said.

According to him, only two companies in Guangdong were allowed to arrange tours abroad—the Guangdong Overseas Travel Company and Guangdong China Travel Services.

Both have set up numerous branches across the province, some of which have subcontracted their business to agents.

However, some of these agents were found to have put out advertisements claiming that they themselves could organise overseas tours and the sale of Chinese passports.

According to him, the city travel authorities have compiled a list of government-approved agents.

"We cannot investigate the subsidiaries of the Public Security Bureau, but we are looking into the travel agencies," he said.

He said the PSB was investigating its own subsidiaries.

Guangzhou Continues To Attract Overseas Funds

OW0710135694 Beijing XINHUA in English 1226
GMT 7 Oct 94

[FBIS Transcribed Text] Guangzhou, October 6 (XINHUA)—This capital city of south China's Guangdong Province continues to put more overseas funds into various projects.

In the first six months of this year, the actual use of overseas investment grew by 105 percent as compared with last year.

A pioneer in opening to the outside world in the country, Guangzhou signed a total of 38,400 project contracts involving more than 16.3 billion U.S. dollars of overseas investment between 1979 and 1993, of which 4.15 billion dollars had been put into use. In 1993 alone, 1.46 billion dollars of investment were materialized.

The projects, invested by over 30 countries and regions, range from communications, energy, telecommunications, technical transformation to property and tertiary industry developments.

Guangzhou Plans To Be 'International Metropolis'

HK1010151794 Beijing ZHONGGUO XINWEN SHE
in English 1214 GMT 10 Oct 94

[FBIS Transcribed Text] Guangzhou, October 10 (CNS)—An investment of U.S.\$70 billion will be funnelled into Guangzhou in the next decade in order to build the municipality into an international metropolis. Mayor Li Ziliu made known the blueprint at a just ended seminar on the development of Guangzhou of the 21st century.

During the 15-year reform and the opening of China to the outside world, there has been dramatic change in Guangzhou which ranked third in terms of comprehensive economic strength among the ten main cities while per capita gross domestic product registered the second largest value across the country. The municipality occupied the first place in terms of annual family income on average and per capita living space. It was accepted by the Association of Metropolises of the World as its member in 1992 which was the only Chinese city included in this organization. The Guangzhou government was determined in recent years to undertake several key items for building the municipality into a modern international metropolis.

First, Guangzhou is engaging in full scale renovation of the old city proper for a reasonable layout. By the end of the 1990s the current 200-sq. kilometre city proper will expand to 555 sq. kilometres. The Pearl River new city featuring the world advanced level of the 21st century will be established while a large international zone for comprehensive development will be set up in south-eastern Guangzhou with a total area of 220 sq. kilometres.

Second, the build-up of transport, energy and telecommunications as well as construction of urban basic facilities will be sped up in a bid to improve the investment environment. A 60-kilometre round-city expressway will be completed in 1996 while the No. 1 underground railway line running for 18.48 kilometres and a new international airport will come to completion in 1998. Meanwhile the Guangzhou port will also be renovated in a bid to show an annual handling capacity of over 100 million tonnes.

Third, the current reform continues to go intensive and the industrial pattern has to be adjusted. In addition to establishment of a modern enterprise system, the market, macro-economic regulation and the social security system have to be improved for a new structure of the market economy system. Priority will be given to exploitation of high technology light industry, transport, commodity circulation business, financial and insurance businesses, housing construction and real estate as well as tourism and service business in order to further upgrade Guangzhou's status as a commercial, financial and tourist centre in South China.

Fourth, connection between Guangzhou and the international community will be strengthened in a bid to

make possible openness on a larger scale and higher level. The municipality will speed up its pace to keep up with the world economy and strike broad cooperation with international consortia and multinational companies with the aim of using international capital, technology and talented persons for further exploitation of the trade market.

Shenzhen Police Seize 'Spy Pistols'

HK0710151294 Hong Kong MING PAO in Chinese 8 Sep 94 p A2

[“Special article” by special reporter Yeh Mu (0673 2606): “Shenzhen Police Seize a Lot of Spy Pistols”]

[FBIS Translated Text] Shenzhen police seized a number of special pistols that were airlifted from Changchun to the Shenzhen airport. A reliable source said altogether there were 128 minipistols in the shape of lighters, fountain pens, briefcases, and other articles of everyday use. Shenzhen police have established these pistols as spy pistols, and have placed the case on file for further investigation.

According to a report, on 21 August this year, security officers of the Shenzhen Public Security Bureau's Baoan branch learned in the course of their duties that a person from Sichuan had offered antiriot equipment for sale. The branch immediately decided to send two security officers, disguised as businessmen, to a karaoke club to meet the vendor.

After inspecting the goods, the two officers, under the orders of the police, went to a hostel room on Fenghuang Street, Luohu District, Shenzhen, on the evening of 23 August, carrying with them 35,000 yuan, to “buy” 20 pen pistols and 60 flashlight pistols from the vendor, at the price of 400 yuan each. After the deal, the two officers revealed their identities and arrested the vendor, Li Junsheng, on the spot.

The suspect Li later told the public security branch that the special guns had been airlifted from Changchun to Shenzhen. They were to be sold in secret, and in a planned and organized way. Every salesman had only one-way contact; the owner of the goods and each “salesman” did not know each other's addresses, whereabouts, or name.

An inspection of the total seizure showed there were 128 minipistols comprising 30 lighter pistols, 26 fountain pen pistols, three antiriot pistols, and 69 briefcase antiriot pistols, together with a number of special bullets.

A firearms expert from the Shenzhen Public Security Bureau said that he was seeing such min pists for the first time. The craftsmanship of the pistols was excellent: Lighter pistols could light a fire, fountain pen pistols could write, and flashlight pistols could be lighted. Therefore, they could not be identified by the naked eye. However, when a device of these pistols was activated,

they would turn into pistols. These pistols could penetrate a two-layer wooden door when fired from four meters away, and the shots were as loud as firecrackers.

Shenzhen police believed these “spy pistols” were powerful antipersonnel weapons. They would entail alarming consequences if they found their way into society.

According to the suspect, the selling price for such pistols in Shenzhen was fixed at 400 yuan each.

However, Shenzhen police did not say whether these pistols were manufactured by criminal gangs, or were stolen or bought from the government or the military's arsenal.

Over the last few years, underground markets for illegal guns have been brisk on the mainland. From September 1992 up to the present, public security departments in various places throughout the country have seized 400,000 illegal guns, including 7,200 military guns, and a number of hunting rifles, small-bore rifles, shotguns [huo yao 3499 5522], B-B guns [gang zhu 6921 3796], stun guns [dian ji 7193 2345], tear-gas guns, and anesthetic guns, but this was the first time the police had seized such highly lethal “spy pistols.”

Shenzhen To Set Up Large Wholesale Market

HK0710140594 Beijing ZHONGGUO XINWEN SHE in English 1208 GMT 7 Oct 94

[FBIS Transcribed Text] Shenzhen, October 7 (CNS)—The Pinghu Production Means Wholesale Market, the largest centre for goods circulation, collecting and distribution in South China, will be set up in Shenzhen, Guangdong Province.

This item, put forward by the Shenzhen Municipal Trade Development Bureau and the city's Longgang District at a foreign economic and trade negotiations meeting held here today by the District, has attracted much interests of Hong Kong businessmen.

According to Mr. Sun Yongxiang, an official of the Bureau, the Market has an obvious geographical advantage as it is close to the Beijing-Kowloon railway's Pinghu Station. The would-be-built station is designed to be the second biggest marshaling station in the country, 20 kilometres away from the Luohu port and a hub of air, sea and land transport with four railway lines including the Beijing-Kowloon and Guangzhou-Kowloon railways, two harbors of Yantian and Shekou and the Huangtian Airport nearby.

Occupying an area of 400,000 square metres, the Market with a floor space of 500,000 square metres will be comprised of a specialized markets area, a storage area, a commercial service area and a residential housing area. Foreign businessmen are welcome to invest in the Market's development in forms of BOT (Build-Operate-Transfer) or BT (Build-Transfer).

Part of its storage facilities was under construction last month and the Building Materials Market, one of the specialized markets, has seen its design nearly completed.

Guangxi Secretary Announces Airing of News Program

HK1110072694 Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 1 Oct 94

[FBIS Translated Excerpt] Today, 1 October, 1994, marks the 45th anniversary of the founding of the PRC solemnly proclaimed by the late Mao Zedong. The Guangxi People's Broadcasting Station with a 44-year history also today witnessed both an unusual start and an historical change. This is because as of 1 October, 1994, the newly reorganized "Comprehensive News" of Guangxi People's Broadcasting Station started airing an 18-hour program every day. The program is expected to be aired through China's "Dongfanghong No. Three" satellite later this year so that the whole country as well as some of China's neighboring countries and regions will be able to receive it.

Regional leaders have shown great concern for and attached great importance to the satellite-aired news program. Regional party committee Secretary Zhao Fulin and deputy Secretary Ding Tingmo have written inscriptions in celebration of this new news program respectively.

Zhao Fulin's inscription reads: "Conscientiously Manage and Make News Program Conducive to Guangxi's Economic Growth and People's Cultural Life."

Ding Tingmo's inscription reads: "Make Full Use of Radio Programs; Let the World Know about Guangxi; and Enable Guangxi To Enter the World."

Secretary Zhao Fulin delivered a speech in which he stated: Good morning, dear audience! The Guangxi People's Broadcasting Station started airing the "Comprehensive News" program on a trial basis as of 1 October. The program is expected to be aired through a satellite in the foreseeable future. I'd like to take this opportunity to extend warm congratulations to cadres and workers engaged in Guangxi's radio broadcasting work and extend best wishes to the families of the broad masses of audience. Radio broadcasting plays a very important role in respect with the propagating of the party's line, principles, and policies; disseminating economic, scientific, technological, and cultural information; and enriching people's cultural life. Since reform and opening up, Guangxi's radio broadcasting work has witnessed sustained growth, expansion, and improvement. I'm fully confident that Guangxi's radio programs will continue to improve in terms of content and quality in the years to come. Along with Guangxi's rapid economic growth and deep-going reform and opening up, people's material life and cultural life are bound to

improve still further and become richer and more varied with each passing day. I hope that the "Comprehensive News" program will make positive contributions to Guangxi's image building, thereby letting the whole world know about Guangxi and enabling Guangxi to enter the world. We sincerely welcome and invite more domestic and overseas friends and entrepreneurs to come to invest and participate in Guangxi's economic exploitation, construction, and development. Thank you!

Deputy Secretary Ding Tingmo also delivered on the same occasion a speech in which he called on the Guangxi People's Broadcasting Station as well as all the comrades engaged in Guangxi's radio broadcasting work to step up theory study; ideologically arm themselves with Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics; work diligently; abide by professional ethics and disciplines; live a simple life; make redoubled efforts; create more excellent works and radio programs for the Guangxi people; and contribute more to Guangxi's reform, development, and stability. [passage omitted]

Development of News Media in Hainan Viewed

HK1110062894 Haikou Hainan People's Radio Network in Mandarin 2300 GMT 5 Oct 94

[FBIS Translated Text] The establishment of Hainan Province and the special economic zone also brought about a new period of development in the news media and publishing industry and in the radio and television broadcasting industry. Along with the continuing in-depth development of the economic structural reform, new results have been achieved in the development of these industries. To keep pace with the new situation of reform and opening in this province, the news media and the publishing institutions have made efforts to upgrade, enrich, and diversify their products, and the industry has become more prosperous. Up to March this year, 19 national newspapers and more than 30 professional and local newspapers were distributed in this province, and there were four publishing houses and 37 magazine offices. A comprehensive set of publications with party organs as the main body has basically taken form. After the establishment of the province, the radio and television broadcasting industry also developed rapidly. Now there are 16 radio and television transmission and relay stations, and the total power of transmission has reached 1.268 million kw [as heard]. The proportion of the population covered by radio and television broadcasting network has reached 63 percent. There are also a number of satellite transmission and relay stations, with a total power of 90 kw [as heard], reaching 83 percent of the population.

Henan Party Chief Chairs Patriotism Meeting

HK1010080894 Zhengzhou Henan People's Radio Network in Mandarin 2300 GMT 6 Oct 94

[FBIS Translated Text] Yesterday morning, provincial party secretary Li Changchun presided over a prov party

committee standing committee meeting to discuss how the province can implement the program of implementing education in patriotism. After listening to the report submitted by the person in charge of the propaganda department of the provincial party committee on suggestions for implementing the program for education in patriotism, the standing committee members held lively discussions.

The meeting maintained: With Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and the party's basic line as the guide, the CPC Central Committee initiated a program for education in patriotism and has expounded the great significance of education in patriotism, setting the basic principles, important contents, specific targets, and numerous concrete measures for implementation of the education. This will have great significance in directing education in patriotism at present and in a historical period of time to come.

The meeting pointed out: Patriotism has always been a banner of mobilizing and encouraging the Chinese people to struggle in unity, a powerful dynamic power propelling China's society and history forward, and the spiritual mainstay of the people of all nationalities. Education in patriotism is part and parcel of the building of socialist spiritual civilization and the basic requirement for training people with lofty ideals, moral integrity, education, and a sense of discipline. We should conduct education in patriotism, let the education permeate through the various fields of ideological and political education to comprehensively raise the quality of the nation, and carry out the education unswervingly and on a long-term basis.

The meeting also pointed out: Loving the country means loving the socialist motherland. Loving the country and loving socialism are inseparable. While conducting education in patriotism, we should combine patriotism with the love for socialism, combine it with the love for and strengthening of the rejuvenation of Henan, and combine education in patriotism with the party's central work, accelerate the process of reform, opening up to the outside world, and the socialist modernization, and promote the development of the province's building of two civilizations and of its other undertakings.

The meeting stressed: Education in patriotism is a systems engineering undertaking and involves a wide range of endeavor. Therefore, it needs better coordination efforts by various aspects of society to implement all measures already taken. Education in patriotism is the basic (words indistinct) of the building of socialist spiritual civilization. Party committees and governments at all levels must put education in patriotism on the agenda as an important task; place stress on practical results, the principle of proceeding in an orderly way and step by step, and imperceptible influence; make unremitting efforts to carry out the education; and do everything possible to avoid formalism.

Li Yinghai, chairman of the provincial committee of the Chinese People's Political Consultative Conference, Zhang Zhigang, vice chairman of the standing committee of the provincial people's congress, and persons in charge of relevant departments attended the meeting as nonvoting delegates.

Henan Becomes 'Largest Transportation Center'

OW081011494 Beijing XINHUA in English 0820
GMT 8 Oct 94

[FBIS Transcribed Text] Zhengzhou, October 8 (XINHUA)—Central China's Henan Province has become the largest transportation center of the nation after years of construction.

For a long time, transportations between north and south China were hampered by the Yellow River, especially in Henan Province.

From 1986, four huge bridges have been constructed over the Yellow River, together with other seven major bridges formerly built. Among them, the Zhengzhou Yellow River Bridge, which connects the highway between Beijing and south China's Shenzhen, a booming special economic zone adjacent to Hong Kong, is 5,500 meters long, the longest in China.

Another important one is the Sanmenxia Bridge, which was built earlier this year for the transportation of coal from Shanxi Province, the largest coal producer in north China, to southern provinces.

Billions of foreign investments have been absorbed in the construction of the transportation system. The World Bank has provided 260 million U.S. dollar loans for highway construction.

Now, the mileage of highways in Henan Province ranks second in the country. In five years, the mileage of highway in this province will increase to over 1,000 km, linking Lianyungang Port in east China's Jiangsu Province with Huocheng City in northwest China's Xinjiang Uygur Autonomous Region.

Railways have also played an important role in the transportation system.

Zhengzhou, the provincial capital city, which is the connecting point of the Beijing-Guangzhou railway and the Lianyungang-Lanzhou railway is also the largest marshalling yard in Asia.

After introducing new management systems from the U.S.A. and Canada, Zhengzhou is becoming the transportation hub of central China.

Hubei CPC Chief on Implementing Plenum Spirit

HK1110065494 Wuhan Hubei People's Radio Network
in Mandarin 1000 GMT 7 Oct 94

[FBIS Translated Text] The Ninth Standing Committee Meeting of the Eighth Provincial People's Congress

opened in the Hongshan Auditorium in Wuchang this morning, which was presided over by Guan Guangfu, chairman of the Standing Committee of the provincial people's congress. After adopting its agenda, the meeting listened separately to the reports by (Tong Wenhui), vice chairman of the rural affairs commission of the provincial people's congress, and (Ma Zhi), vice chairman of the nationality, religious, and overseas Chinese affairs commission of the provincial people's congress, on the examination results of the draft Regulations of Hubei Province on Implementation of Wildlife Protection and the draft Regulations of Hubei Province on Protection of the Rights and Interests of Returned Overseas Chinese and Family members of Overseas Chinese, listened to the explanation by (Song Wenlin), deputy director of the provincial environmental protection bureau, concerning the Regulations of Hubei Province on Environmental Protection, and the explanation by (Liu Keyi), the provincial water conservancy department, on the draft of Regulations of Implementation for the Soil Erosion Law. The meeting also listened to the explanation by (Zhou Biansheng), vice chairman of the nationality, religious, Overseas Chinese, and foreign affairs commission of the Wuhan City people's congress, on the Management Methods of Wuhan City on religious activity venues, the explanation by (Lu Dihan), vice chairman of the education, science, and culture commission of the Wuhan City people's congress, on the Regulations on the Tonghu New Technology Development Zone in Wuhan, the explanation by (Song Qingxiang), vice chairman of the legislative affairs commission of the Wuhan City people's congress, on the Regulations on Banning the Setting Off of Fireworks and Firecrackers in Wuhan City, and the report by Vice Governor Su Xiaoyun on the province's handling of three-wanton collections.

At the meeting, Chairman Guan Guangfu conveyed the spirit of the Fourth Plenary Session of the 14th CPC Central Committee and urged members of the Standing Committee of the provincial people's congress to earnestly study, comprehensively understand, and firmly implement the Decision of the CPC Central Committee on Several Major Issues Concerning the Strengthening of Party Building, which was adopted by the session. The documents of the plenary session have been put on the agenda of the current meeting.

Vice chairmen of the provincial people's congress, Zheng Yunfei, Wang Hanzhang, Wang Zhizhuo, Liang Shufen, Xiao Quantao, Xu Xiaochun, and Lin Jinming, and Secretary General (Liu Xuelun) attended the meeting. Li Qifan, president of the provincial higher people's court, Zhong Shuqin, chief procurator of the provincial people's procuratorate, persons in charge of relevant departments of the provincial government, the standing committees of the people's congresses of prefectures, autonomous prefectures, the Shengnongjia forestry area, and some counties and cities, persons in charge of people's congress liaison groups of various prefectures, deputy secretary general of the Standing Committee of the provincial people's congress, and members of the

special working committees of Standing Committee of the provincial people's congress, all attended the meeting as nonvoting delegates.

Hunan To Focus Development on Major Cities

HK1010055694 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 9-15 Oct 94 p 7

[By Zhang Xingbo: "Hunan To Focus on Major Cities"]

[FBIS Transcribed Text] Changsha—Hunan Vice-Governor Tang Zhixiang announced the selection of five cities along the Beijing-Guangzhou railway to receive development emphasis.

The cities are: Yueyang, Changsha, Xiangtan, Zhuzhou and Hengyang.

Although their combined area occupies only 27 per cent of the province's territory, they possess nearly 60 percent of the region's total population, 60 percent of its industrial production, and 90 percent of its universities and scientific research institutes.

As the region's most economically developed areas, they embrace most of Hunan's high-tech industry and the bulk of its capital assets.

The area "will be built according to international standards into one of the most economically developed areas along the Yangtze River development zone," the vice-governor said.

In the meantime, he said, development of leading industries would take priority.

The focus will be on textiles, food processing, chemicals, metallurgy, nonferrous metals, medicine and building materials.

According to the vice-governor, Hunan ranks 11th in terms of comprehensive economic power and social development.

In 1993, its gross domestic product was valued at 114.6 billion yuan (\$13.5 billion), 2.3 times more than the level in 1978.

Hunan also ranks among the country's top 10 agricultural producers.

In fact—like many fertile regions—it has often been called the "land of rice and fish" because it is so rich in foodstuffs.

It is also known as a centre of nonferrous metals" because of its industry.

Scenic Zhangjiajie Natural Reserve and Hengshan Mountain also make it a frequent tourist destination.

Lying between the economically developed coastal areas and six other inland provinces, the area has become a bridge connecting both regions.

Besides, it is also located inside the Yangtze River Economic Development Zone, with Shanghai leading the booming region.

One strategy for development will be to open Hunan's southern areas. The region borders the booming coastal Guangdong Province. It is also near Yueyang City, a major port in the Yangtze River Economic Development Zone.

Meanwhile, the province hopes to strengthen its economic ties with foreign countries to develop areas along the Yangtze River, the Beijing to Guangzhou and the Zhicheng to Liuzhou railways—the country's two main lines of communication.

The vice-governor also mentioned plans to develop the province's western areas, which are rich in mineral resources and attract many tourists to the region.

But the main thrust of the development programme will be building-up the five major cities along the Beijing-Guangzhou railway route and the No. 107 State Highway.

"We'll focus our efforts on the development of these cities," Tang said.

With a solid industrial foundation, industry has made swift progress. In 1993, output totalled more than 144.6 billion yuan (some \$17 billion), an increase of 22.8 per cent since the previous year.

To keep abreast of development, the province plans to improve its infrastructure.

In the past 12 years, it has done a lot of work to better its energy, transportation, and telecommunications networks.

Today, the province has 60,000 km of highways. Programme-controlled telephone networks connect all its cities.

In addition, foreign trade and investment have witnessed rapid development.

Hunan's Agricultural Product Exports Increases

OW1010131594 Beijing XINHUA in English 1230
GMT 10 Oct 94

[FBIS Transcribed Text] Changsha, October 10 (XINHUA)—Export of agriculture products in south China's Hunan Province has increased drastically in recent years.

Last years, export of agriculture products had reached 780 million U.S. dollars, almost half the total of the province. In the first seven months of this year, it increased by 20 percent to reach 400 million U.S. dollars.

Among them, rice, tea and tinned food and some other agricultural products have each exceed 0 million U.S.

dollars. They go to the U.S.A., Italy, Canada, Russia, Japan, Hong Kong and Macao.

Now, Hunan Province has built over 900 agricultural export production bases.

Southwest Region

Profile of Sichuan Party Secretary Xie Shijie

HK1110010094 Hong Kong WEN WEI PO in Chinese
8 Sep 94 p E1

[Unattributed article: "A Provincial Party Secretary Who Is As Unsophisticated as the Soil—My Impression of Xie Shijie"]

[FBIS Translated Text] I had my first interview with Xie Shijie at the news briefing of Sichuan Province's First International Television Week four years ago. He was then Sichuan's vice governor in charge of day-to-day work. It was perhaps partly because he had been responsible for agriculture for quite some time and partly because Sichuan Province was still in the initial stage of its opening to the outside world that, in response to the questions put to him by journalists, he just seemed to repeat what was said in the documents he had in his hands. When reference was made to the subject of farmers leaving Sichuan to seek jobs in other provinces, however, the journalists found Xie a changed man, who at once worked himself up, putting aside the "outlines" which he had prepared and speaking with affection for those farmers as if they had all been dear folks from his native home. Xie refuted the argument that farmers who left their province to look for employment elsewhere were "blind migrants" and spoke highly of the farmers of Sichuan Province at large, claiming that they were tilling one-sixteenth of China's cultivated land and feeding one-tenth of the country's population. Farmers who had left their homes and at the moment were working in other provinces were by no means "blind migrants" but rather people who were making contribution to the economic development of the thriving coastal regions by providing labor force, he added. Such was Xie Shijie's adamant attitude towards farmers amidst a roar of public censure against the "blind migrants" that, I believe, every Chinese or foreign journalist including myself was indelibly impressed.

Later, there were changes in Xie Shijie's posts. He was promoted from executive vice governor to executive vice secretary and then secretary of the provincial party committee. The newsmen had more contacts with him, finding him "opening up" along with Sichuan's reform and opening up. He regained the initiative toward journalists. He was now able to talk for hours in an interview without reading from any documents. By skimming the local newspapers, people could follow him shuttling back and forth between the north and the south, traversing home and abroad, and "directing" spectacular joint-venture projects and overwhelming reform undertakings. If there was anything about him that had not

changed, the journalists had discovered, his affection for the farmers remained the same as before. Not long ago, some reporters talked with Xie Shijie again on the question of farmers leaving Sichuan in large numbers to look for jobs. He observed that the surplus laborers in Sichuan ran as many as around 20 million, of which 10 million could be absorbed by township and town enterprises, but the rest had to wait for further job arrangements. What's more, there was an increase of over one million new laborers in Sichuan every year, all of them surplus. The secretary argued that guided and planned exporting of labor force was beneficial both to national construction and to the laborers themselves, who could not only earn money but learn skills as well. He regarded every laborer as a liaison man for, he thought, the laborers would bring back to Sichuan's vast countryside, when they returned to see their families, information about the prosperity in the outside world and the methods of making a living in other places. Xie disclosed a figure to the reporters, saying that five million farmers had gone out to work last year and brought back five billion yuan of cash, according to a conservative estimate, which meant a fairly large financial source to the province. Nevertheless, the secretary pointed out that most of those people were involved in rough work, heavy labor, or harsh trades. He therefore emphasized recently that measures must be taken to enhance the training of the export laborers to improve their qualities, so that they would not just be employed by others to dig the ground, grow vegetables, or raise pigs. Early this year, Secretary Xie called for the return of the labor force, by which he meant that Sichuan farmers working in the economically developed areas should return with the money they had earned and the skills they had acquired to build and develop their own home towns. That was not a whim, said Xie. Some of the farmers had already become "bosses" back in Sichuan after they had worked outside for some years.

"Enabling the rural areas to remain stable and the farmers to become rich is a matter of primary importance, a problem which must be properly tackled." That was what Xie Shijie often reiterated in his interviews with journalists.

Postscript: Xie Shijie, a native of Liangshan (now Liangping County), Sichuan Province, was born in 1934. He joined the CPC in 1954 and graduated from the Southwest Agricultural College in 1959, majoring in the study of soil and manure. Thereafter he has served in different posts, including office director of the Ya'an Agricultural School, secretary of the Yingjing County CPC Committee, deputy secretary and secretary of the Ya'an Prefectural CPC Committee, member of the Sichuan Provincial CPC Committee Standing Committee, vice governor of Sichuan Province, and deputy secretary and secretary of the Sichuan Provincial CPC Committee, in chronological order. In October 1992, he was elected member of the CPC Central Committee at the 14th CPC National Congress.

Sichuan Vows To Eliminate Poverty in Seven Years

OW1110032694 Beijing XINHUA in English 0210
GMT 11 Oct 94

[FBIS Transcribed Text] Chengdu, October 11 (XINHUA)—Southwest China's Sichuan Province vows to free its 11.8 million population from poverty in seven years, provincial officials said here today.

Although known as an abundant land, Sichuan province has vast mountainous areas which are suffering from poor natural conditions and transportation.

Over the recent ten years, the province has injected over four billion yuan and lifted six million people from poverty. Another two million people moved to new houses.

However, another 11.8 million farmers and herdsmen are still living below the poverty line, according to the provincial officials.

To wipe out poverty, the province decided to provide special help to these people. Detailed targets include that the average income of the farmers in these areas should reach 500 yuan in terms of constant prices of 1990 and the per capita grain consumption is set at 400 kg by the end of the century.

The province also decided to help build a piece of high-yielding land for each household and provide decent drinking water for people and livestocks there. Each township is urged have a market which facilitates the sales of farm products.

Other targets listed by the provincial government includes wiping out illiteracy among young adults, prevent or reduce local diseases and promote the fast development in science and technology, education, culture, public health, posts and telecommunications, broadcasting and television and social welfares.

The ambitious project is welcomed by local officials at various levels in the province. The province stipulates that localities which have done well in such effort will be awarded with an aid project worth one million yuan. Officials who are unable to meet such targets will be removed from their posts.

Meanwhile, the province will appoint scholars or technicians from the provincial level as deputy county governors and encourage technical development and technology contracting in mountainous areas by teachers and research staffs from universities and research institutes.

As part of the ambitious program, Sichuan plans to increase poverty relief investment and support localities with economic aid in construction projects. Interest discount loans will be increased from the original 26 million yuan to 60 million yuan annually with the pay-back duration extended from one year to five years.

Besides, the province is also ready to set aside another one million yuan in the construction of a poverty-relief technical training center. Chengdu branch of the national training center for poverty-stricken areas will enlarge enrollment in the province so as to train a number of talented personnels for the province's poverty-stricken areas.

According to provincial sources, the province is drafting a plan to build pilot fruit growing farms in six poverty-stricken counties with an investment of 10 million yuan by the province.

The call by the provincial government has been echoed by other relatively richer areas in the province as Chengdu, the provincial capital, Chongqing, an economically prosperous city and deyan have pledged to support the poor areas.

Mianzhu County has decided to set up a poverty relief development zone in its provincial level economic and technological development zone. The county also plans to donate 33 hectares of land to help poverty-stricken counties in economic development.

Cities of Chengdu and Chongqing have offered preferential policies for poverty-stricken counties. The enterprises run by these counties in Chengdu and Chongqing may take 80 percent of the taxes back to their home counties.

Sichuan Moves From Agriculture to Industry Base

HK0710140394 Beijing ZHONGGUO XINWEN SHE
in English 1123 GMT 7 Oct 94

[FBIS Transcribed Text] Chengdu, October 7 (CNS)—According to the Assistant to Governor of Sichuan Province, Mr. Zou Guangyan, Sichuan has changed from an agricultural province to an industrial province after 45-year endeavor. The industrial production output value of the Province totaled over RMB [Renminbi] 250 billion last year, raising the Province to the seventh on the list of China and making up three-fourths of the total industrial and agricultural production output value.

Sichuan is traditionally an agricultural province with a large number of farmers. Industrial foundation is comparatively weak. Since 1949, the Province has followed the policy of "Taking agriculture as a basis and industry as a mainstay", and speeded up industrial development.

The Province has now set up a complete industrial system with all kinds of industries. Machine-building, electronics, metallurgical, chemical, building material, textile, medicine and food industries all rank important positions in China. The Province is able to produce 7 million tonne steel, 8.4 million tonne coal, 7 billion cubic metre natural gas, 24 million tonne cement and over 2 million chemical fertilizer [unit not specified] as well as 2 million color TV sets every year. Electricity generating equipment, communications cables,

machines, derricks, minicars, motorcycles, wine, leather and silk produced in the Province also sell well.

A number of pillar industries have been founded in Sichuan, laying foundation for sustained, fast and healthy development of the national economy. Township enterprises and overseas-funded enterprises are also booming. By the end of last year, the Province had got 44,000 industrial enterprises with the number of major enterprises being 962.

Railroad Construction Preparation in Tibet Underway

HK0710140694 Beijing ZHONGGUO XINWEN SHE
in English 1156 GMT 7 Oct 94

[FBIS Transcribed Text] Lhasa, October 7 (CNS)—First phase of preparation has started for constructing a railway in Tibet, which needs a total investment of over RMB [Renminbi] 20 billion, said Mr. Wang Dianyuan, Deputy Director of Planning Commission under the government of Tibet Autonomous Region.

Tibet, where land and air transport are available, is the only province in China without a railway. To promote its economic development and strengthen its connection with other provinces in the country, the state has included the project in the list of the national plan.

Tibetan Plateau, known as "the roof of the world", has high mountains, deep valleys, complex terrain and long ice-clad period. Therefore to build a railway in such a surrounding will be a most magnificent project of China or even the world. Relevant geological prospecting, feasibility studies and designing will soon start and the first phase of preparation is expected to be completed within the coming four or five years.

Tibet CPPCC Committee Relays Document Guidelines

OW0910121794 Lhasa Tibet Television Network in Mandarin 1200 GMT 20 Sep 94

[Announcer-read report over video by caption-identified reporters Ren Qing (0088 7230) and Ba Zhu (1572 3796); from the "Regional News Hookup" program]

[FBIS Translated Text] [Video opens with medium shot of a packed conference room, followed by alternating close-up of Basang speaking and medium shots of other attendees] In the morning of 20 September, the Tibet Autonomous Regional Committee of the Chinese People's Political Consultative Conference [TARCPPCC] invited some of its Standing Committee members and some members stationed at the TARCPPCC to relay the guidelines of the central authorities' Document No. 8 and the sixth enlarged plenary session of the fourth Tibet autonomous regional party committee [TARPC]. TARCPPCC Vice Chairmen Jangzhong Zhaxi Doje, Lhamin Soinam Lhunzhub, Lhalu Cewang Doje, Tangmai Gongjue Baimu, Gonbasar Tubdanjigzha,

Qaba Gaisang Wangdui, Duojizha Renzengqinmo Jiang-bailuosang, and Wang Hailin attended the meeting.

The meeting relayed the central authorities' Document No. 8 and the important speeches delivered by Tibet leaders Chen Kuiyuan, Raidi, and Gyaincain Norbu at the sixth enlarged plenary session of the fourth TARPC.

Basang, deputy secretary of the TARPC and vice chairman of the TARCCPPCC, said at the meeting: The third forum on work in Tibet studied the work from a strategic high plane of the overall situation, further defined the guidelines for successfully conducting the Tibet work and various measures for accelerating economic development and maintaining social stability.

Basang stressed: During the third forum on work in Tibet, the central authorities reaffirmed their policy toward the Dalai clique. The difference between us and the Dalai is not a question of religious belief or autonomy, but one of maintaining the unification of the motherland and opposing secessionism. So long as he gives up his advocacy for Tibet independence and stops trying to split the motherland, he is welcome to return home at any time.

Basang called on everyone to conscientiously implement the guidelines of the central authorities' third forum on work in Tibet and the sixth enlarged plenary session of the fourth TARPC and to actively take part in political and government affairs, so as to make new contributions to Tibet's development and stability.

Text of Tibet Provisions on Price Gouging

OW1010103494 Lhasa XIZANG RIBAO in Chinese 28 Sep 94 p 4

[“Tibet Autonomous Region Interim Provisions on Price Gouging and the Seeking of Exorbitant Profits”—XIZANG RIBAO]

[FBIS Translated Text] Article 1. These provisions are specially formulated on the basis of the provisions contained in the “PRC Law on Unfair Competition,” the “PRC Law on Protecting Consumers’ Rights and Interests,” and the “PRC Regulations on Price Control” and in light of Tibet’s actual conditions to maintain normal market order; punish those who practice price gouging and seek exorbitant profits; basically stabilize market prices; protect the legitimate rights and interests of producers, business operators, and consumers; and guarantee the healthy development of a socialist market economy.

Article 2. These provisions apply to state-owned, collective, and private enterprises; small industrial and commercial businesses; and other business operators.

Article 3. The prices under the control of these regulations refer to the commodity prices regulated by the market and the prices for operating services.

Article 4. Price gouging mentioned in these regulations refers to business operators’ cheating consumers by means of dishonest pricing and making them suffer economic losses.

The seeking of exorbitant profits mentioned in these regulations refers to business operators’ gaining large profits by means of dishonest pricing during business operations.

Article 5. Departments in charge of commodity prices at all levels are responsible for the implementation of these provisions, shall supervise and inspect price gouging and the seeking of exorbitant profits, and shall deal with such incidences.

Administrations for industry and commerce and departments in charge of technical supervision, public health and epidemic prevention, auditing, business accounting, public security, and banking shall do their duties and coordinate with departments in charge of commodity prices to do a good job of punishing those who practice price gouging and seek exorbitant profits.

Article 6. The government encourages and supports all organizations and individuals to supervise price gouging and the seeking of exorbitant profits, and shall protect them.

All organizations and individuals have the right to report price gouging and the seeking of exorbitant profits to departments in charge of commodity prices.

Article 7. Departments in charge of commodity prices should monitor the market prices of major commodities that have a direct bearing on the national economy and the people’s livelihood.

Article 8. While setting prices during business operations, operators should adhere to the principle of openness, fairness, and honesty and observe generally acknowledged business ethics.

Operators should participate in honest price competition on the basis of the commodities’ price level in the market and accurately provide departments in charge of commodity prices with price information and costs.

Article 9. Operators shall be considered practicing price gouging if they take any of the following means that harm the economic interests of consumers:

(1) Set deceptive prices by passing off commodities of inferior grade on customers, mixing fake substances in with products, offering goods of false scales for sale, lowering quality, or reducing quantity;

(2) use fraudulent favorable prices, discounted prices, clearance sale prices, or bottom prices to promote sales and swindle money out of consumers;

(3) do not clearly mark prices or attach price tags according to provisions; have price tags show descriptions of commodities different from their actual quality

or quantity; set prices at will; charge exorbitant prices; or take advantage of contradictions between supply and demand to hoard goods and speculate; and

(4) fabricate and disseminate false information of market supply, demand, or prices to cheat consumers; jointly force up prices and set monopoly prices; or corner the market.

Article 10. If a businessman adopts one of the following means to raise his prices above the reasonable level recognized by the department in charge of prices, it is considered an act of seeking exorbitant profits:

(1) selling products at a price higher than the reasonable price of the same type of product sold in the same region;

(2) when the price difference rate of commodities exceeds the rational level of price differences of the same type of commodity sold in the same region; and

(3) when the profits obtained from selling commodities exceed the reasonable margin of profits that can be obtained from selling the same type of commodity in the same region.

Article 11. Price checking organs at all levels shall check acts of price gouging and seeking exorbitant profits according to relevant state provisions, and shall carry out the following functions:

(1) in accordance with stipulated procedures, questioning the dealer under investigation, the party involved, and the testifier; and demanding that they produce evidence, materials, or other data pertaining to price gouging and acts of seeking exorbitant profits;

(2) investigating and reproducing agreements, accounts, bills, documents, records, business telegrams and letters, and other data pertaining to price gouging and acts of seeking exorbitant profits; and,

(3) when the dealer to whom a complaint has been filed fails to produce data on purchasing costs and fixed selling price, he shall be handled in accordance with item (1) of Article 9.

Article 12. Price checking organs shall impose the following penalties for price gouging and the seeking of exorbitant profits:

(1) Dealers who adopt price gouging acts, such as passing off second-rate products as top-quality ones, cheating in measurement and weighing, and lowering the quality, shall be given penalties—criticism through circulars, fines, and requesting the industrial and commercial administrative department concerned revoke their business permits.

(2) Dealers who cheat consumers by means of false preferential prices and discounts, by not indicating prices according to regulations, or by using false price tags shall be asked to refund the money to consumers or

to return the portion of profit that is deemed unreasonable by departments in charge of prices to consumers. The dealers' profits obtained this way may be confiscated or handled in accordance with relevant provisions.

(3) Income deemed excessive by departments in charge of prices shall be considered illegal income. Price checking organs shall ask the dealer to return such income to consumers, and income that cannot be returned shall be confiscated. The dealer shall be fined from one to 10 times the illegal income according to the seriousness of the case. And,

(4) Anyone who resorts to violence or threats to obstruct price inspection personnel from carrying out their duties shall be made accountable according to the law.

Article 13. Confiscated illegal income and fines shall be turned over to the treasury by price checking organs.

Article 14. The regional department in charge of prices shall draw up rules for the implementation of these provisions in accordance with these provisions.

Article 15. The regional department in charge of prices shall be responsible for explaining these provisions.

Article 16. These provisions shall take effect on the day of promulgation.

Tibet's Party Chief Exhorts Living Buddha

OW0910130994 Lhasa XIZANG RIBAO in Chinese 21 Sep 94 p 1

[By XIZANG RIBAO reporter Yixi Cuomu (4135 6007 2238 1191:) "Regional Leaders Meet With Living Buddha Garmaba"]

[FBIS Translated Text] The White Sect is one of the leading denominations of Tibetan Buddhism. Imbued with the historical tradition of loving its country and religion, it has made great contributions to Tibet's cultural advancement and social progress as well as the development of Tibetan Buddhism. It is hoped that during his reign, the 17th Living Buddha Garmaba will further carry forward the fine tradition of Tibetan Buddhism and provide still greater contributions to the safeguarding of national unification, unity among nationalities, and Tibetan progress. These were regional party Secretary Chen Kuiyuan's remarks at a meeting with the 17th Living Buddha Garmaba Chilaidoje on the afternoon of 19 September.

The meeting between Living Buddha Garmaba and Secretary Chen Kuiyuan and regional Chairman Gyaincain Norbu took place at the regional party committee's united front work department office. Chen Kuiyuan said: Tibet has attached great importance to the CPC Central Committee United Front Work Department's invitation to the Living Buddha to visit the hinterland. Today, we are very grateful that the Living Buddha is in good health and spirits, and we thank Curbo Monastery for doing a tremendous job. We are

very much aware of and support the monastery's correct political attitude in loving the country and religion and in cooperating with the people's government, as well as the monastery's positive response to the call of the country to keep religion in line with socialism and to safeguard social stability.

Secretary Chen Kuiyuan said: Still at a tender age, the Living Buddha has a long way to go to grow to maturity. He will depend on eminent Buddhist monks for his physical growth and his study of and advancement in the Buddhist scriptures; and their nurturing and attention can help him become a Living Buddha well versed in Buddhism with both ability and moral integrity. The regional party secretary noted: Currently, we are studying and implementing the guidelines of the third forum on work in Tibet, recently convened by the central authorities. With the party Central Committee's kind concern and the support of the whole country, plus the efforts by the people of all nationalities in the region, Tibet will achieve still greater prosperity before the end of this century. In conclusion, he pointed out: Tibetan Buddhism, which has a great influence on Tibet, has many denominations; and Buddhism is the religious belief of the majority of Tibetans. In Tibetan history, Buddhism has played a fine role in cultural development and social progress. Today the party and government stand for freedom of religion, and protect normal religious activities. Meanwhile, monasteries should set a good example in observing state laws, should love the country and religion, and should further improve the management of monasteries in accordance with state laws and religious canons. The central authorities have pointed out: A handful of separatists outside the territory attempt to exploit religion to advocate separatism. Such attempts, which are against state law and are detrimental to the honor of religion, absolutely cannot be tolerated. It is hoped that Curbo Monastery will recognize the separatists' sinister aim and wage a resolute struggle against them. In closing, Secretary Chen Kuiyuan wished Curbo Monastery greater prosperity and the Living Buddha happiness.

The Living Buddha expressed heartfelt thanks to the autonomous region and its leaders for their consistent kind concern for himself and the monastery. He said: I will listen to the party's order, study diligently, and propagate the Buddhist scripture to the benefit of all living creatures. Chairman Luozhui, of the Curbo Monastery Nationalities Affairs Committee, thanked the autonomous region for its solicitude for the monastery and Garmaba and said: Curbo Monastery owes what it is today to the party's policies toward minority nationalities and religions. We shall carry forward the fine tradition of the White Sect of Tibetan Buddhism, observe discipline and laws, and love the country and religion by taking good care of the monastery and bringing up Garmaba so as to live up to the expectations of the autonomous region's people.

Regional Chairman Gyaincain Norbu and Vice President Duoqizha Jiangbailuosang also spoke at the meeting.

Gying Puncog Cedain, regional vice chairman; Luosang Toinzhub, regional vice chairman and concurrently Lhasa mayor; Luosang Danzeng, vice chairman of the regional committee of the Chinese People's Political Consultative Conference and concurrently director of the regional party committee's united front work department; and Gongjue Ciren, chairman of the regional nationalities and religious affairs committee, were present at the meeting.

Chen Kuiyuan and Gyaincain Norbu presented gifts to the Living Buddha.

Tibet, Shandong Leaders Discuss Economic Development

OW1110102894 Lhasa Tibet Television Network in Mandarin 1200 GMT 16 Sep 94

[From the "Regional News Hookup" program]

[FBIS Translated Excerpt] [video shows Tibetan and Shandong leaders holding discussions at a large table in a room] Tibetan leaders Guo Jinlong, Yang Chuantang, Gyamco, and Laba Pingcuo, as well as persons in charge of departments concerned, held a discussion meeting on the afternoon of 15 September with an inspection delegation led by Chen Jianguo, Shandong vice governor and member of the Shandong provincial party's standing committee. The meeting discussed issues concerning Xigaze Prefecture's economic development and agricultural and animal husbandry production. [passage omitted]

Vice Governor Chen Jianguo said: Through the inspection in Xigaze Prefecture, we have further deepened our understanding of the guidelines of the party Central Committee's third forum on work in Tibet. Further, it has strengthened our confidence and sense of responsibility in helping Tibet's over 2 million people to basically achieve a relatively comfortable living standard by the end of this century. [passage omitted]

At the meeting, Guo Jinlong and Yang Chuantang expressed their hope that Xigaze Prefecture and Shandong would continue to strengthen their contacts and forge closer relations as well as effectively bring about the prefecture's social stability; progress in agricultural and animal husbandry production; and economic development so as to basically cast off poverty by the end of this century.

Tibet Chairman Issues Decree on Price Gouging

OW1010123094 Lhasa XIZANG RIBAO in Chinese 28 Sep 94 p 4

[FBIS Translated Text] Decree No. 4 of the Tibet Autonomous Regional People's Government issued by Government Chairman Gyaincain Norbu on 16 September 1994.

The Tibet Autonomous Region Interim Provisions on Price Gouging and the Seeking of Exorbitant Profits passed by the 21st executive meeting of the autonomous regional people's government on 14 September 1994 are hereby promulgated for implementation.

Preparatory Work for Tibetan Projects Near Completion

HK0710153794 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 19 Sep 94 p 2

[Dispatch from Lhasa by staff reporter He Guanghua (6320 1639 5478): "The Preparatory Work for Projects To Support Tibet Nears Completion"]

[FBIS Translated Text] According to sources concerned, the preparatory work for 62 projects being built in Tibet with the assistance of various localities of the country is being accelerated, and will be basically completed by the end of this month, with the exception of one or two. The construction of the first 17 projects has started one after another.

In July this year, the CPC Central committee and State Council held the Third Tibet Work forum, and decided to invest 2.38 billion yuan to support Tibet in the construction of 62 projects. These projects involve the agricultural, energy, communications, and other sectors. Therefore, Tibet has set up a project construction headquarters—with Gyaincain Norbu, chairman of the autonomous region, as the general director—to coordinate and mobilize the strength of various quarters, and to ensure the quality, quantity, and progress of the projects' construction.

In addition, various ministries and commissions of the central authorities, as well as various provinces (municipalities and regions), have sent 32 study groups to Tibet to make arrangements for concrete work on the projects, and construction forces have rushed to the worksites. The State Planning Commission and the State Economic and Trade Commission have ensured the investment of 115 million yuan for projects the construction of which has started first.

To give full support and to energetically promote the construction of these projects, the Tibet Autonomous Regional People's Government has decided to implement a policy of the reduction or exemption of taxes and charges for all these projects being built to give support to Tibet.

Calculations show that the actual taxes and charges to be collected from these 62 projects will be 70 million yuan, and taxes and charges reduced or exempted will be 160 million yuan.

Development Fund Awards Outstanding Tibetan Educators

OW0910134194 Beijing XINHUA in English 1227 GMT 9 Oct 94

[FBIS Transcribed Text] Lhasa, October 9 (XINHUA)—Thirty-two educators in the Tibet Autonomous Region

recently won the first "holy palace prize", which was sponsored by the Fund for Tibetan Development.

The educators mostly work in harsh conditions and have made great contributions for the development of education in Tibet.

"As long as I can breathe, I will teach," said Tuden, a primary school teacher in his late sixties. He teaches Tibetan language and math.

Forty-year-old Luorluo, with over 20 years of teaching experience in harsh environment, devoted his youth to students, being at once a headmaster, a teacher and a cooker.

Coru Cering of the Tibet Medical College is one of the ten most well-known Tibetan scholars. Over the past decade or so, he developed some 250 kinds of Tibetan medicine and has written more than 170 books and papers of high scholarly and practical value.

Among the prize winners of Han nationality is Dong Guozheng, an assistant professor of the Tibet Agricultural and Husbandry Institute. Over the past 30 years or more, he taught more than 2,000 students.

Ye Jing, a 51-year-old teacher of the Lhasa Experimental Primary School, volunteered to work in Tibet at the age of 18. "I will give my fiery life and cordial love to my children—the students," she said.

Yunnan Tightens Security Control in Rural Areas

HK1110065694 Kunming Yunnan People's Radio Network in Mandarin 1000 GMT 6 Oct 94

[FBIS Translated Excerpt] Since July, public security organs at all levels throughout this province have been working conscientiously to implement the spirit of the national meeting on comprehensive management of public security and order in rural areas. According to the overall arrangements of the Provincial Public Security Department, they worked out concrete action programs and achieved good results in practice.

In the course of carrying out comprehensive management of public security, local public security organs decided the main areas where actions were to be taken and the main problems which were to be solved in the actions. Actions were concentrated on cracking down on the most prominent criminal activities. The Public Security Department of Liangshan Prefecture concentrated strength on cracking down on highwaymen and bus robbery along National Road No. 323 and established and perfected the local people's anticrime organizations. This has clearly improved the situation of law and order along the highway. [passage omitted]

The public security organs also consolidated the village and town police offices and public security groups, and improved the mass organizations for preventing and suppressing crimes. Explicit requirements were set forth

for the work of these institutions and organizations. Now, the work in this field is developing further in depth.

Yunnan Makes 'Giant Steps' in Economic Development

*OW0710025194 Beijing XINHUA in English 0226
GMT 7 Oct 94*

[FBIS Transcribed Text] Kunming, October 7 (XINHUA)—Southwest China's Yunnan Province, which is home to people of 26 ethnic groups, has made giant steps in its economic development and its people are able to constantly uplift their living standards.

Official statistics show that, the fiscal income of the province reached 20.5 billion yuan last year, ranking sixth in the country.

Over 20 million local residents have been lifted out of poverty in recent years.

For a long time, Yunnan's economy lagged behind other provinces due to its weak economic foundation and harsh natural conditions.

The primitive life, slavery and feudal systems co-existed among ethnic minority residents in the province until the founding of New China in 1949.

It is a good place for sociologists to study social evolution but all local residents have the right to enjoy a better life.

To improve their life, the province has to boost its economy. Accordingly, it invested huge amounts of funds in establishing a complete industrial network.

At the same time, the provincial government allocated over 10 billion yuan for helping ethnic minority groups to exploit natural resources and set up industries involving the production of rubber, sugar, tea and non-ferrous metals.

The province has set up trade relations with over 100 countries and regions and encouraged local people to engage in border trade and boost a market economy.

At present, the prices of 60 percent of the agricultural products and 80 percent of the manufactured goods are regulated by market factors.

The province is now able to export manufactured goods. Its import and export trade hit 2.8 billion yuan worth last year.

Economic development has led to notable changes in other sectors.

The number of illiterate people has dropped to 30 percent of the total population, down from over 85 percent in the early 1950s. About 96 percent school-age children are in school.

Altogether 6,469 hospitals have been set up throughout the province. A lot of water-control facilities have been built.

A total of 11,315 radio and TV transmission stations have been set up, covering 77 percent of the whole population.

To further open up to the outside world, the local government has focused efforts on upgrading the infrastructures.

So far, roads, railways, navigable rivers, and air transport have been expanded. Highways now connect 99 percent of the townships in the province.

Altogether, the province has 10 airports open to traffic or in construction. Over 90 percent of the counties and cities of the province have automatic telephone services.

For further development, the province is undertaking many more projects. In the Lancang river basin, a overall development program has been launched to exploit hydro-power resources, develop metallurgy and marine transportation.

In the southeast part of the province, 1.67 million hectares of farmland are being built into high-yielding fields. More tourism facilities are being built to accommodate more domestic and overseas visitors.

North Region

Beijing Secretary Stresses 'Patriotic Education'

SK0810093394 Beijing BEIJING RIBAO in Chinese 23 Sep 94 pp 1, 4

[By reporter Ding Yatao (0002 0068 7290): "Conscientiously Implement the 'Outlines for Conducting Patriotic Education'"]

[FBIS Translated Text] At the standing committee meeting of the municipal party committee, held a few days ago, Chen Xitong, secretary of the municipal party committee, stressed: Patriotic education is an important content of the building of spiritual civilization. We should conscientiously implement the "outlines for conducting patriotic education," printed and distributed by the CPC Central Committee, actually incorporate the implementation of these outlines to various items of work, continue to launch the activities on patriotic education of various forms, and make great effort to yield greater results.

This standing committee meeting held by the municipal party committee specially discussed ways to implement the "outlines." Standing committee members participating in this meeting maintained: The "outlines" worked out by the Propaganda Department of the CPC Central Committee completely tally with the demand of the development of the current situation and are of great immediate and far-reaching historical significance in building the socialist spiritual civilization. They also

maintained: We should conscientiously study the guidelines of this document, further launch activities on patriotic education in line with the practical conditions of the municipality, and summarize experiences to find out where we lag behind so that we can systemize, institutionalize, and standardize the activities on patriotic education. We should lay emphasis on conducting patriotic education among youths and juveniles and foster a scientific outlook on life and on value. Cultural and art workers as well as press and the media units should explore and discuss the content and form of education and create vivid and lively works that hold high the main melody of patriotism. In urban construction environment, we should manifest patriotic atmosphere by erecting many sculptures of national heroes in history.

Chen Xitong said in his speech: Being an extremely important document, the "Outlines for Conducting Patriotic Education," approved by the CPC Central Committee, will play a tremendous role in strengthening the building of spiritual civilization and in promoting reform, opening up, and the four modernizations. The "outlines" have been studied at the standing committee meeting. The meeting's participants have talked about experiences and shortcomings in line with realities and expressed very good opinions. The standing committee has agreed, in principle, to the plan for implementing the "outlines," set forth by the propaganda department of the municipal party committee, and made some revisions according to the opinions offered by the meeting's participants. From now on, we should actually incorporate the patriotic education to the work plan and daily agenda of the municipality and make great efforts to achieve practical results.

Chen Xitong pointed out: The smooth progress of the socialist modernization is inseparable from patriotic education. We should carry out four modernizations to vitalize China, a country with the largest population in the world. To vitalize China, we should depend on the party's correct line and leadership, on successful economic construction, and on the building of spiritual civilization. Patriotic education is precisely the important content of the building of spiritual civilization. A small number of persons, who worship and have blind faith in things foreign and who are self-abased, have regarded China as having no saving graces. Then, how can they inspire and unite others to engage in construction? Without patriotic education, the socialist modernization and the vitalization of China are just empty talk. The education on patriotism is identical to the education on socialism, collectivism, and communism. To make our country and our people strong, to realize the reunification of the motherland, and to make China remain invincible in the world, we must conduct education on patriotism, enhance our self-confidence and self-pride, use the spirit of patriotism to unite and inspire the people to struggle for the fulfillment of all our undertakings.

Chen Xitong stressed: In conducting patriotic education, we should begin with the municipal party committee, the municipal people's congress standing committee, the municipal government, the municipal committee of the Chinese People's Political Consultative Conference, and party and government leaders of all levels. These departments and leaders should enhance understanding, incorporate patriotic education to their respective duties, conscientiously implement the "outlines," and adopt feasible measures to achieve results. Comrades engaged in patriotic educational work should first enhance their own awareness of patriotism. Those who educate others should first have a strong patriotic idea and rich knowledge so they can conduct patriotic education vividly and lively among the masses, including youths and juveniles.

Chen Xitong stressed: We should adopt diverse forms to conduct activities on patriotic education. At the preceding stage, beginning with the showing of "One-Heart Song," the municipality exhibited and showed 100 patriotic education films, established patriotic education bases, and launched the activities of raising national flag in primary and middle schools. Meanwhile, the activities of strolling around Beijing, loving Beijing, and building Beijing developed to the activities of singing Beijing, talking about Beijing, writing about Beijing, sketching Beijing, and picturing Beijing. And, the mass discussion activities entitled "I Am the Policeman of the Capital's People," "I Am the Public Servant of the Capital's People," and "I Am the Teacher of the Capital's People" also spread gradually throughout the municipality. All these activities are good forms of vivid and lively mass patriotic education. These activities have enhanced Beijing people's sense of glory, sense of responsibility, sense of pride, and idea of patriotism. We should summarize successful experiences, give prominence to key ones, further launch activities, and create even more varied and colorful good forms. Patriotic education cannot be accomplished all at once. It needs a long process to exert an imperceptible influence on people's thinking. Patriotic education is a systems engineering. In the course of grasping the basic work in combination with the "outlines," we should map out as early as possible several major plans for patriotic education activities in the next year, and these activities should be combined with regular activities. At the same time, we should pay attention to studying advanced experiences of fraternal provinces and municipalities. So long as we conscientiously implement the "outlines" and hold high the banner of patriotism, we will certainly vitalize China and make the socialist China flourishing and strong.

At the meeting, Liu Shuli, deputy director of the propaganda department of the municipal party committee, made a report on Beijing's opinions to study and implement the "outlines." Attending the meeting were Li Qiyan, Zhang Jianmin, Wang Daming, Li Zhijian, Chen Guangwen, Wang Baosen, Yang Chaoshi, Wang Tong, Zhang Baifa, Duan Bingren, Qiang Wei, Li Yongan, and Chen Dabai.

Beijing's Chen Stresses Education in Patriotism

OW0610131794 Beijing Central Television Program One Network in Mandarin 1100 GMT 3 Oct 94

[From the "National News Hookup" program]

[FBIS Translated Text] [Video shows CPC Politburo member Chen Xitong seated in a room, speaking] Speaking at a recent meeting of the Beijing Municipal CPC Committee Standing Committee on the subject of education in patriotism, Secretary Chen Xitong stressed: The entire municipality must earnestly implement the Education in Patriotism Program approved by the party Central Committee.

[Begin Chen Xitong recording] We must earnestly implement this program. If we fail to carry out education in patriotism, it would be impossible for us to succeed in socialist modernization. Therefore, we must attach importance to this task. Members of the municipal party committee standing committee and leading comrades of the municipal government, people's congress, and Chinese People's Political Consultative Conference committee must take the lead. We must incorporate education in patriotism in our work agenda. Education in patriotism is not something that can be accomplished overnight. It involves a process of subtle influence on the character. We must carry out the task step by step. We must work out a plan for the next several months. We must carry out some major activities related to this task. [end recording]

Beijing Police Arrest Illegal Book Printing Gang

Confiscate 4,000 of Banned Books

OW0810140294 Beijing XINHUA Domestic Service in Chinese 0932 GMT 6 Oct 94

[By correspondent Li Yanchun (2621 4291 2504) and reporter Niu Aimin (3662 1947 3046)]

[FBIS Translated Text] Beijing, 6 Oct (XINHUA)—The Beijing municipal public security organs recently uncovered a gang that printed and sold pornographic and reactionary books, arrested 14 people, and confiscated over 4,000 copies of banned books.

It is learned that on receipt of a public report on 5 September, the Xicheng District Sub-bureau of the Beijing Municipal Public Security Bureau discovered pornographic and reactionary books stored in a cellar of building no. 17 at Yuetan North Street. After investigation, the police sealed up all of 2,942 books for safe-keeping, and quickly arrested the books' owner, Zhang Yongquan. Later, with the support of propaganda and news publishing departments, the public security police worked continuously to arrest Tian Qi, Yu Yan, Lian Yinze, and Hu Shuwei, who were involved in producing and selling pornographic and reactionary books.

The public security organs' preliminary investigations show that since May this year, Lian Yinze and Tian Qi jointly planned to copy and sell banned books. Through contacts with last names of Liu and Sun, Tian Qi turned sample books supplied by Lian Yinze into films and printed and bound the books at printing plants in Sanhe city, Huailai County, Hebei Province.

Further on Book Raids

HK0710144694 Hong Kong MING PAO in Chinese 7 Oct 94 p B3

[“Special dispatch:” “Beijing Raids Underground Publishing House, Seizes 3,000 Banned Books”]

[FBIS Translated Text] Beijing police smashed a ring specializing in copying and selling pornographic and reactionary books and journals. The Beijing Xicheng public security subbureau, which handled the case, said at yesterday's news conference that 14 suspects involved in the case had been tracked down and arrested, and 3,623 copies of nine kinds of contraband publications seized.

Police said the case was brought to their attention through citizens' reports. An underground chamber in the Yuetan District was found to be housing 2,942 pornographic and reactionary books, which led to the arrest of Zhang Yongquan, Tianqi, Yu Yan, and other suspects.

According to the news conference, it was the first ring to be uncovered in Beijing that copied and sold reactionary and contraband books and journals on a massive scale. Of the nine kinds found, five were of a reactionary sort. Many phrases in the books were defamatory about Chinese party and state leaders.

Police traveled 5,000 km in 15 days, hunting for the suspects in such provinces and cities as Beijing, Hebei, Jilin, and Shanxi, finally arresting all of them. The reactionary and pornographic books and journals seized are still being sorted out.

The case is reported to have caught the attention of the central Propaganda Department, the state Press and Publications Administration, and the Beijing Municipal CPC Committee. Beijing is gradually stepping up its efforts to crack down on pornographic and illegal publications.

Beijing Court Executes 10 Felons on 23 Sep

SK0810142994 Beijing BEIJING RIBAO in Chinese 24 Sep 94 pp 1, 4

[FBIS Translated Text] According to the death penalty execution order issued by the president of the Beijing Municipal Higher People's Court, the municipal intermediate people's court sent under escort 10 convicts to the execution ground on 23 September. They were immediately executed by shooting. They were all found guilty and had committed the crimes of intentional

hold-up, illegal purchase and sale of firearms and ammunition, intentional injury, hardened thief, and robbery. Those include Liu Baosong, Yu Shuijun, Wu Tao, Zhang Jianguo, Tang Weiwei, Lu Xuejun, Zhang Yuqi, Liu Qiang, Cui Laibin, and Huang Futian.

Most of the 10 executed convicts repeatedly violated the law and committed crimes. They were punished by the public security organs many times. Some of them were even sentenced to imprisonment. However, they refused to repent and mend their ways after completing their prison terms and continued to engage in criminal activities that threatened the capital's social peace and safety of the people's life and property.

Liu Baosong and Yu Shuijun were peasants of Shunyi County in the municipality. At about 0500 on 1 June this year, they came to the junction of Jichang Road in the Shunyi County seat by carrying two light-caliber sports guns, two self-made light-caliber hand guns, 200 light-caliber bullets, masks, and forceps. They hired a "San-tana" car there by tricking the driver. When the car stopped at the eastern side of the town of Huandao, north of the Tongxian County seat, the two convicts opened fire and killed the car driver and policeman who tried to block their crimes. Then, they drove the car and fled to the direction of Qinghuangdao city in Hebei Province. On their way, the two convicts plundered three motor vehicles and resisted arrest by injuring several people's policemen and peasants.

Wu Tao and Zhang Jianguo were jobless personnel of the municipality. In the early morning of 25 June this year, the two convicts, colluding each other and carrying lethal weapons including daggers, got into the Room 702 of the Yatai Building in the municipality and snatched \$30,000, 10,000 yuan Renminbi, two mobile phone sets, and golden ornaments. Two customers in the room were killed as well.

Tang Weiwei was a jobless personnel of Changchun city in Jilin Province. At about 1000 on 11 August this year, he was in the process of stealing things from the handbag of a woman passenger on No. 104 trolley bus. When the bus arrived at the crisscross junction in Dongcheng district of the municipality, he tore the handbag with a blade. Li Zhiwei, a public security personnel, was on duty on the bus at that moment. When he discovered the crime, he stated clearly to convict Tang: "I am policeman." When he pulled out the handcuffs to arrest him, convict Tang violently resisted arrest and injured Li Zhiwei with a sharp knife he was carrying.

Zhang Yuqi was a jobless personnel of the municipality. At about 0300 on 29 January this year, he broke into the Xingsu Bar in the Xiaohongmen Lane of Chaoyang district in the municipality. He broke a window and used a screwdriver, a sharp knife, and a flash light for his operation. He stole one "Vanguard" Kara Oke machine, cigarettes, wine, and beverages that were worth more than 4,000 yuan Renminbi. After the crime, convict Zhang fled from the spot by carrying the stolen articles.

When he arrived at the area beside the Fenzhongsi lane of Fengtai district, he was discovered and interrogated by Han Laiqiu and Cheng Jiuting who are members of the joint-defense team and were on the patrol duty. Convict Zhang seriously injured Han Laiqiu with the sharp knife he was carrying.

Liu Qiang was a jobless personnel of the municipality. From May 1991 to June 1992, he successively committed 54 theft crimes alone or in a group in the districts of Chaoyang, Dongcheng, Fengtai, and Fangshan by breaking into houses, entering through the windows or by breaking the doors. The large amount of stolen articles and belongings were worth more than 116,000 yuan renminbi.

Hebei Governor Discusses Plans for Development Belts

HK0710130094 Beijing CHINA DAILY in English 7 Oct 94 p 1

[By Sun Shangwu: "Hebei Development To Focus on Two Belts"]

[FBIS Transcribed Text] Fast-growing regional economic integration has provided North China's Hebei Province an unprecedented opportunity for development, according to Hebei Governor Ye Liansong.

The provincial government has put two belts—one between Beijing and Tianjin, and the other along the C-shaped Bohai Bay—at the top of its development agenda.

The Beijing-Tianjin belt encompasses 25 Hebei counties, while the Bohai Bay belt embraces 32 cities and counties, and has a population of 18 million.

"Beijing is a culture, education, science and technology centre and Tianjin is one of the country's key trade ports. We should take advantage of this," Ye said.

Many cities have benefited from the two municipalities' talent, technical know-how, financing and information.

For instance, the city of Langfang—40 kilometers from Beijing and 60 kilometers from Tianjin—successfully developed its rural enterprises with the co-operation of the two municipalities.

Beijing and Tianjin set up 260 joint ventures last year and the total output of their rural enterprises reached 17.7 billion yuan (\$2.1 billion).

"While enjoying advantages provided by the two municipalities, we should also make it our duty to serve the two cities," the governor said.

Hebei serves Beijing and Tianjin by providing resources, labour and agricultural products.

Zhangjiakou, Huailai and Zhuolu in Northern Hebei have become the fruit and vegetable supply bases for the capital.

Ye said that the provincial government has mapped out a programme to further open up and develop the region around the Bohai Bay.

The drive follows the central government's decision to develop the Bohai Sea area.

The State decided in 1985 to develop the Bohai region during the next round of economic development.

The region generally includes the coastal provinces of Hebei, Liaoning and Shandong, and the inland Shanxi Province and Inner Mongolia Autonomous Region, as well as the municipalities of Beijing and Tianjin.

Hebei boasts an extensive transportation network, a key asset for development. The Beijing-Guangzhou railway goes through the province, and the Beijing-Kowloon line, now under construction, will as well.

Three expressways are being built to connect the provincial capital of Shijiazhuang with Beijing, Shanxi's capital of Taiyuan and Anyang in Henan Province.

Hebei also has the country's biggest coal and oil export port, Qinhuangdao, which has an annual handling capacity of 96 million tons.

Inner Mongolia Secretary Views Consumer Prices

SK0910002394 Hohhot Inner Mongolia People's Radio Network in Mandarin 1000 GMT 6 Oct 94

[FBIS Translated Text] When carrying out investigations and studies over commodity prices in Hohhot, Comrade Liu Mingzu stated: The vital problems concerning commodity prices are the intermediate link. The key to handling commodity prices is in developing production. To fundamentally deal with the price problems, a good job must be done in the following three tasks: 1) Efforts should be made to adopt an adequate attitude toward price increases and decreases. 2) All-out efforts should be made to successfully conduct market management. 3) It is necessary to concentrate efforts on developing production.

Comrade Liu Mingzu, secretary of the autonomous regional party committee, carried out investigations and studies of the Hohhot markets on 6 October, which included the Dongwayao vegetable wholesale market, the vegetable market in North Xilin Road, the vegetable market in Western Street of Xincheng district, and the free market in Zhanbei Road. During his investigation and study tours, he inquired about the situation among customers, sales clerks, and wholesale peddlers; he also listened to the opinions raised by some residents. In addition, he sponsored a forum with comrades of relevant departments under the Hohhot city party committee and people's government.

In the course of his investigation tours and forum discussions, Comrade Liu Mingzu put forward the following opinions:

First, efforts should be made to adopt an adequate attitude toward price increases and decreases. He stated: Price increases or decreases represent an inevitable reflection of the market economy. Commodity prices represent not only the method of promoting production, but also the lever for regulating markets. The feeling often harbored by some comrades of the-more-price-decreases-the-better and the-higher-the-income-the-better is understandable. However, it is actually impossible to achieve. Therefore, we should conduct more propaganda and education on this issue among the masses so as to enable them to have a correct understanding of commodity prices. As for the problems concerning commodity prices in the autonomous region, we should analyze them very carefully. It must be noted that the increased scale of commodity prices across the autonomous region is larger than that of incomes gained by both urban and rural people. We should be sober enough to understand this, and by no means should we notice only that commodity prices in the provinces and cities of south China are higher than those in the autonomous region; we should also notice that their incomes are also higher than those of the autonomous region. Such a fact also represents a matter of seeking truth from facts. We should not be content with the region's price index being lower than the national average. We must adopt practical and effective measures to stop steady price increases in the autonomous region.

Second, all-out efforts should be made to successfully conduct market management. He emphatically pointed out: Currently, the vital problems concerning commodity prices are the intermediate link. In particular, price problems for farm and sideline products have become more prominent. We have clearly noticed that although urban and rural residents have suffered from over-high commodity prices, the practical benefits enjoyed by the peasants who directly engage in production have not been many. Those who have truly enjoyed the benefits provided by price increases are vegetable peddlers who have earned large amounts of money and profit. Therefore, it is imperative to strictly enforce over these peddlers a different-rate management between wholesale and retail. Meanwhile, we should bring into play the main role of state-owned commercial enterprises. Party committees and governments at all levels should attach great importance to conducting management over market prices and grasp management themselves. Departments in charge of commodity prices as well as industrial and commercial affairs must truly assume the responsibility of conducting management and supervision. We should also arouse the masses to join in management. By organizing veteran cadres and trade unions and neighborhood offices to commonly grasp or join in management, we can achieve practical results. We should commend or award those who have set an example in implementing the regulations of commodity prices, and deal blows to those who have dominated the markets through cheating. Meanwhile, efforts should be made to enhance the construction of markets

and to build more wholesale and retail markets so as to provide favorable conditions for peasants to enter markets, and enable more peasants to directly enter wholesale and retail markets.

Third, it is necessary to concentrate efforts on developing production. He repeatedly stressed: The fundamental outlet of dealing with price problems lies in developing production. Only if seek to control commodity prices without a solid foundation of materials will we be unable to finally and thoroughly resolve the problem. With increases in industrial production, in economic results, and in the people's incomes, the masses in urban areas may be able to withstand the larger increased-scale of the price hikes. With the increase in the output of grains, cooking oil, meat, eggs, milk, and vegetables, commodity prices of rural areas will naturally decrease. Therefore, we must concentrate our efforts on developing industrial and agricultural production, and resolve the price problems through the increase of effective supplies. Governments at the city level must make all-out efforts to successfully grasp vegetable-basket project and establish the responsibility system of work division among mayors and vice mayors. They should adopt the method of fulfilling the following two tasks simultaneously: 1) City authorities should concentrate their efforts on establishing large production bases and standardize these bases to a certain extent. 2) City authorities should help suburban districts, townships, towns, and villages organize a large number of households to engage in the large-scale production of planting and raising and in large-scale vegetable production in winter. They should also arouse the masses of peasants to encourage every farm household to vigorously engage in the diversified economy by planting vegetables and raising hogs, cattle, chicken, and fish. This also represents a good way to help peasants become wealthy.

Inner Mongolia Secretary at Forum of Veteran Comrades

SK0810123394 Hohhot Inner Mongolia People's Radio Network in Mandarin 1100 GMT 7 Oct 94

[FBIS Translated Text] On the afternoon of 7 October at (Xincheng) Guesthouse of Inner Mongolia, the autonomous regional party committee held a forum attended by provincial-level retired veteran cadres to hear their opinions on the region's economic and social development and their suggestions on well convening the sixth regional party congress.

Liu Mingzu, secretary of the regional party committee, chaired the forum. Wu Liji, Qian Fenyong, Bai Enpei, and Wang Zhan, deputy secretaries of the regional party committee; and Wuyunqimuge, standing committee member of the regional party committee, attended the forum. More than 50 provincial-level retired veteran cadres, including Wang Duo and Hao Xiushan, were invited to attend the forum.

Focusing on the central subjects of developing and rejuvenating Inner Mongolia's economy and well convening the sixth regional party congress, the participants talked freely and suggested ways and means.

The veteran comrades maintained: Since the implementation of the reform and open policies, the autonomous region has well developed its economy, stabilized the society, ensured unity among various nationalities, and made rapid headway in various spheres. This is obvious to all, and we are gratified at this. However, at the time of affirming the achievements, we must clearly see the existing problems and difficulties. We hope that the sixth regional party congress will proceed from actual conditions to sum up the previous work, to find where we lag behind, and to set forth fighting goals; and really be convened in a unified, enthusiastic, and initiative way to promote the region's economic development and modernization.

The veteran comrades said: The fourth plenary session of the 14th party Central Committee, which ended a few days ago, clearly defined an orientation for achieving our autonomous region's work. So, it is of extreme importance to implement the guidelines of the plenary session of the 14th party Central Committee. From now on, we must adopt forceful measures to strengthen party building, persistently grasp the national construction with one hand and party building with the other, continue to deeply wage the struggle against corruption in a solid and effective way, and conduct education on patriotism. Under the leadership of the regional party committee, we should make unified and concerted efforts to realize the target of making the region enter the forefront.

After hearing the speeches made by the veteran comrades, Liu Mingzu, on behalf of the regional party committee, expressed thanks to the veteran comrades for their good opinions and suggestions and pledged to conscientiously think over and study these suggestions, to make good preparations for the party congress, to elect good leading bodies, and to form a report to be made in line with reality.

He sincerely asked the veteran comrades to make more valuable opinions on the region's work and to jointly achieve the region's work.

Inner Mongolia Secretary Inspects Hohhot 18 Sep

SK0810090094 Hohhot NEIMENGGU RIBAO in Chinese 20 Sep 94 p 1

[By reporter Yang Yankui (2799 1750 7608): "It Is Necessary To Enhance the Scale and Level of State-Owned Enterprises and Greatly Develop Township and Private Enterprises"]

[FBIS Translated Text] On 18 September, Liu Mingzu, secretary of the regional party committee, conducted investigation and study in Hohhot city during which he pointed out: It is necessary to enhance the scale, quality,

and level of state-owned enterprises; cities where industrial enterprises are fairly concentrated should use cities to bring along townships and promote the great development of township enterprises.

That day, Comrade Liu Mingzu successively travelled to the Inner Mongolia Transformer Plant, the Inner Mongolia No. 2 Woolen Textile Plant, and Hohhot Rubber Plant to learn about the production, operation, and management as well as the existing problems of enterprises and to hear work briefings given by the Hohhot city party committee and government.

Liu Mingzu said: Our Inner Mongolia has rich natural resources on and under the ground. We have given conditions for developing competitive and brand-name products by relying on this advantage. Hence, state-owned enterprises should raise their scale, quality, and level, upgrade the scientific and technical content of products, and use first-grade products to win a secure place in the market. It is necessary to offer the production of low-grade products and equipment to township enterprises in an effort to promote the development of township enterprises. If state-owned enterprises engage in the production of low-grade products as township enterprises do, they will surely be eliminated through selection or competition. Certainly, township enterprises, if conditions permit, should also carry out projects of high starting point and high science and technology. He said: The Inner Mongolia No. 2 Woolen Textile Plant has done a good job in reform, production, and management, and the Qingsong Garment Manufacturing Company, Limited, has also created brand-name products. We should do a good job in summing up and popularizing their experiences, successfully conduct enterprise reform, produce more brand-name products, and use this to raise Inner Mongolia's reputation.

Liu Mingzu said: Each and every enterprise should have a fighting objective, work out plans as early as possible, and gradually implement them. At present, production development is very rapid and changes have taken place every year. It is not realistic to remain stagnant. We must unceasingly use high and new technology to transform ourselves. Only by so doing can we win a secure place in the market and expand the existing market. Since the changes in the international markets are fairly big, it is better for some export enterprises to build export product workshops.

Liu Mingzu said: The reform experience of the No. 2 woolen textile plant showed that we must emancipate thinking and change concepts in the course of deepening reform; proceed from the reality of enterprises; and regard the establishment of modern enterprise system as the reform objective. In short, we must combine the central guidelines with enterprise reality, study the situation of each and every enterprise, and issue specific reform measures and methods.

Liu Mingzu said: We must set the important products of Inner Mongolia and Hohhot city in a proper order and

study them one by one so as to raise their grades and produce brand-name products. It is necessary to organize special leading bodies to grasp this work. Unsuitable systems should be reformed; unworkable technology should be resolved by buying patents or hiring technical personnel with high salaries; and unworkable equipment should be replaced or transformed despite difficulties.

Liu Mingzu said: Strenuous efforts should be made to develop township and private enterprises. We need not import many daily necessities from outside, and should produce them on our own. By so doing, we may have cheap-price products, satisfy the needs of the masses, and increase tax revenue for the financial department. In developing township and private enterprises, we must have not only policies but also specific measures.

Liu Mingzu said: We should realistically solve the problems which the masses are greatly interested in. The Hohhot government's experience of doing several hundreds of practical things for the masses every year is good. We should pay attention to the opinions of the masses and solve the problems they raise. It is good for the masses to offer opinions because this shows that they trust us.

Liu Mingzu said: Hohhot city is the capital of the autonomous region. Hence, it must actively strengthen the work of improving the city appearance and environment. The regional party committee and government and various departments should greatly support this work.

Inner Mongolia Holds Financial, Economic Work Forum

SK0810091294 Hohhot NEIMENGGU RIBAO in Chinese 20 Sep 94 p 1

[By reporter Li You (2621 2589): "Broaden the Sources of Income, Reduce Expenditures, Invigorate the Economy, Strengthen Levy and Management, and Promote the Increase in Revenue"]

[FBIS Translated Text] Adopting positive and effective measures, giving impetus to reform, broadening the sources of income, reducing expenditures, invigorating the economy, increasing financial revenue, implementing the policy of wage reform as quickly as possible, raising the living standards of the masses, and promoting a steady and sound development in the national economy are the central topics for discussion at the regional financial and economic work forum held by the regional government on 18 September.

Wu Liji, chairman of the regional government, Zhao Zhihong, Song Zhimin, Yun Bulong, Shen Shuji, and Zhou Weide, vice chairmen of the regional government, and responsible comrades of departments concerned attended the forum.

Principal responsible comrades from 12 leagues and cities across the region introduced at the forum their

respective financial revenue and expenditure operational situation during the January-August period, the situation in implementing the new wage system and in issuing wages, and the methods and measures for cultivating financial resources, invigorating the economy, and increasing financial revenue in the near future. The regional departments concerned gave reports on the whole region's fulfillment of the financial budget since the beginning of this year, on the purchase of grain, oil, farm and sideline products, as well as native and special products and on the implementation of funds.

Wu Liji, Song Zhimin, and Shen Shuji respectively gave important speeches on how to strengthen our region's financial and economic work and the work on ending deficits and increasing profits.

The forum pointed out: Since the beginning of this year, all localities across the region have conscientiously implemented the relevant guidelines of the Third Plenary Session of the 14th CPC Central Committee and of the regional party committee and government, conscientiously studied and resolved all sorts of contradictions and problems cropping up in the course of reform, maintained stability, strived for development in the course of comprehensively deepening reform, achieved new progress in reform, opening up, and economic construction, and maintained a good development trend in the entire region's national economy. As reflected in financial revenue and expenditure, the fulfillment of the budgets was better than expected. However, some difficulties and problems still existed. For example, some state-owned enterprises were low in efficiency, their finished products were stockpiled and unmarketable, and they had difficulties in the circulation of funds; the contradictions in financial supply and demands were conspicuous, and some banners and counties could not issue wages to workers on time; and the range of price hikes was quite big.

Regarding how to alleviate the current difficulties, the forum held that the fundamental way out is to develop the economy and to cultivate financial resources. Conscientious efforts should be made to implement the guidelines of the ninth plenary session of the fifth regional party committee, accelerate the readjustment of economic structure, product mix, and product structure in line with the needs of the socialist market economy, and promote the development of industry and agriculture. State-owned large and medium-sized enterprises should accelerate the pace of changing mechanisms and try by all possible means to raise economic efficiency. We should actively develop township enterprises and the collective, individual, and private sectors of the economy and open up new economic growing points. Financial departments at all levels should enhance the awareness of service, and help enterprises strengthen internal management, invigorate the use of funds, and raise efficiency.

The forum stressed: Strengthening tax collection and management and guaranteeing and expanding financial

revenue constitute a major affair affecting the future long-term development of the entire region. Financial and taxation departments should realistically strengthen supervision and inspection of implementing the new tax system, strengthen tax levy and management, collect all taxes that should be collected, and resolutely take strong measures against tax evasion and swindling. We should conscientiously clear up all sorts of debts and strengthen the management of funds outside the budgets in an effort to alleviate the shortage of budgetary funds. It is necessary to optimize the structure of financial expenditure and strictly control financial expenditure in line with the principle of feeding the people first and then building the country and give priority to guaranteeing the major expenditures on wages and relief funds and the building of key projects. We should promote the work style of diligence, frugality, and arduous struggle and strictly forbid extravagance and waste, parade of one's wealth, and ostentation.

The forum called on governments at all levels to further strengthen leadership over financial and taxation work, study and analyze the progress of financial revenue at regular intervals, promptly solve the existing problems in the course of increasing revenue and reducing expenditure, and ensure that this year's financial and taxation tasks will be fulfilled or overfulfilled.

Tianjin Secretary on Studying Fourth Plenum Guidelines

*SK0810111694 Tianjin People's Radio in Mandarin
2300 GMT 5 Oct 94*

[FBIS Translated Text] On 5 October, the municipal party committee held a meeting of district, county, and bureau leading cadres to relay and implement the guidelines of the fourth plenary session of the 14th party Central Committee and to make arrangements for relaying, studying, and implementing the guidelines.

The meeting set forth: The whole party of Tianjin will resolutely support the communique and decision of the fourth plenary session of the 14th party Central Committee as well as Comrade Jiang Zemin's important speech at this session; be sure to well relay, study, and implement the guidelines of the fourth plenary session of the 14th party Central Committee; further strengthen and improve party building; better push forward Tianjin's reform, opening up, and socialist modernization; comprehensively fulfill and exceed the 1994 tasks and targets.

At the meeting, Gao Dezhao, secretary of the municipal party committee, made a speech to relay the guidelines of the fourth plenary session. Zhang Lichang, deputy secretary of the municipal party committee, chaired the meeting. Li Jianguo, deputy secretary of the municipal party committee, relayed the CPC Central Committee's decision on several issues concerning the enhancement of party building. Present at the meeting were Li Shenglin, deputy secretary of the municipal party committee;

Nie Bichu, chairman of the municipal people's congress standing committee; Liu Jinfeng, chairman of the municipal committee of the Chinese People's Political Consultative Conference; and Liu Fengyan, Fang Fengyou, Lou Yuanpeng, Zheng Zhiying, and Wang Hongjiang, standing committee members of the municipal party committee.

Gao Dezhan pointed out in his speech: The fourth plenary session of the 14th party Central Committee was held by the party Central Committee at the crucial moment when our country is conducting reform, opening itself to the outside world, and developing the modernization. So, it is of extremely historical significance. The decision on several issues concerning the enhancement of party building, made at the plenary session, is a programmatic document on strengthening and improving party building in the new age.

Gao Dezhan said: The decision of the fourth plenary session is permeated with Comrade Deng Xiaoping's theory on party building from the beginning to the end and the guidelines of the 14th party congress, embodies the requirements that party building serves the basic line of the party, and defines the party building tasks and targets. In the course of study and implementation, we should make efforts to grasp the following few guidelines: First, define the general targets and requirements for strengthening party building. That is, we should build our party into a Marxist political party armed with the theory on building the socialism with Chinese characteristics; wholeheartedly serving the party; ideologically, politically, and organizationally well consolidated; being able to withstand various kinds of risks; and always standing in the forefront of the times. Second, we should continue to grasp the ideological construction of the party. We should put the ideological construction in the first position so as to promote the range and quality of the study of Comrade Deng Xiaoping's theory on building the socialism with Chinese characteristics. Third, we should continue to grasp the improvement of party style. We should persist in the fundamental purpose of serving the people wholeheartedly and the mass line of the party and continue to pay attention to the improvement of party style and administrative honesty. Fourth, we should realistically strengthen the organizational construction of the party. The three issues concerning the organizational construction of the party as set forth at this plenary session are of great significance to persisting in and perfect democratic centralism, strengthening and improving the grass-roots party organizational construction, and cultivating, selecting, and promoting the leading cadres with, both, abilities and political integrity. These three links are closely linked to one another and are inseparable. If the work in these three aspects is well done, the party organizations will become more powerful and consolidated, there will be an organizational guarantee for the realization of the second-step strategic goal, and China will enter the 21st century more smoothly.

Gao Dezhan stressed: We should conscientiously study and implement the guidelines of the fourth plenary session and promote the development of the municipality's reform, opening up, and modernization. Now, the fourth quarter has come. We only have less than 90 days to go before the end of this year. At the time of studying and implementing the guidelines of the fourth plenary session, all districts, departments, and units, particularly the leading cadres at various levels, should firmly attend to the work in the last three months of this year. We should concentrate energy, do solid work, find where we lag behind, tackle difficult problems, stress real efficiency, ensure to comprehensively fulfill or exceed the 1994 targets and tasks, and lay a good foundation for elevating the 1995 work to a new height.

Gao Dezhan concluded: The whole party in Tianjin should further closely rally around the party Central Committee with Comrade Jiang emin as its nucleus, work under the guidance of Comrade Deng Xiaoping's theory on building the socialism with Chinese characteristics and the basic line of the party; conscientiously implement the guidelines of the fourth plenary session of the 14th party Central Committee; further strengthen and improve party building; and work hard to comprehensively fulfill or exceed the 1994 targets and tasks, to realize the grand goal of rejuvenating the municipality, making the people rich, and becoming fairly well-off, and to add brilliance to Tianjin again.

Zhang Lichang said in his speech: After this meeting, all districts, counties, and bureaus should immediately relay the guidelines of the plenary session and ensure to relay the guidelines among all party members before 10 October. At present, we should organize the leading cadres at various levels and all party members to conscientiously study the guidelines of the fourth plenary session and the documents adopted at this session and should concentrate the fourth quarter of this year to study the guidelines. We should combine the study of the decision of the session with Comrade Deng Xiaoping's theory on party building. Through study, we should unify our thinking with the guidelines of the fourth plenary session and further promote party building. We should take the implementation of the guidelines of the fourth plenary session as motivation, achieve the work relating to reform and construction, and comprehensively fulfill or exceed the 1994 tasks and targets.

Northeast Region

Heilongjiang Secretary Visits Trade Union Council

SK1110025694 Harbin Heilongjiang People's Radio Network in Mandarin 2300 GMT 10 Oct 94

[FBIS Translated Text] At a forum with responsible persons of the provincial Trade Union Council, the provincial Communist Youth League Committee [CYL], and the provincial Women's Federation, Yue Qifeng,

secretary of the provincial party committee, pointed out: The Trade Union, CYL, and Women's federation organizations are mass organizations of broad representation. They should play an important role in developing the province's economy, particularly in opening up the second battle field.

On the morning of 10 October, accompanied by Ma Guoliang, Meng Qingxiang, and Wang Xianmin, and other comrades, Yue Qifeng, secretary of the provincial party committee, visited the provincial Trade Union Council, the provincial CYL committee, and the provincial Women's Federation and listened to work briefings given by responsible persons of these three mass organizations.

Yue Qifeng pointed out: Heilongjiang Province has a glorious history with brilliant achievements. The trade unions, CYL committees and women's federations have made great contributions in this aspect. At present, the provincial party committee has proposed that efforts be made to reexamine the provincial situation, revitalize Heilongjiang, and open up the second battle field of regional development. It is hoped that the industrial and trade enterprises and groups will continue to contribute to Heilongjiang's economic development in the future and play an important role.

Yue Qifeng pointed out: Our province has a contingent of more than 8 million workers. They are the backbone forces in economic construction. The trade unions should adjust their work ideas, and play a role in organizing and mobilizing workers, and providing consulting services in accordance with the provincial conditions, particularly the situation of enterprises, participate in the second battle field, promote the tradition and work style of building an enterprise through arduous efforts, and contribute to making further brilliant success in Heilongjiang. Women federations should shift the work priority to the rural areas, organize and mobilize women in the rural areas to display their skills in crop cultivation, aquaculture, and courtyard economy, and realistically give play to their role of holding up half of the sky. The provincial CYL Committee should lead the young people to serve as vanguards in opening up the second battle field and play a shock-team role in the whole province.

Heilongjiang Official on Land Use Rights Auctions

OW810025894 Beijing XINHUA in English 0238
GMT 8 Oct 94

[FBIS Transcribed Text] Harbin, October 8 (XINHUA)—Northeast China's Heilongjiang Province is speeding up its auctioning of the use rights of uncultivated land so as to make a better use of land resources, according to the provincial government.

Both domestic and overseas investors including business individuals and enterprises, are welcome to help develop

deserted mountains, waste land, water surfaces and shoal areas, said Tian Fengshan, acting governor of the province.

The province has 8.7 million hectares of cultivatable land, but a total of 4.8 million hectares, 10.5 percent of its total, still remains uncultivated.

About 81 percent of the uncultivated land is suitable for developing agriculture, forestry, animal husbandry and aquatic production, said an official from the provincial government.

Farmers were allowed by local governments to contract to develop uncultivated land, but they were still not enthusiastic about it as they did not have a long-term right to use and benefit from the cultivation. Much of the land, therefore, remain uncultivated.

To raise farmers' enthusiasm to develop land resources, Muling County of the province started to sell the use right of uncultivated land last spring. More than 3,000 farming households have so far bought the use right of uncultivated land and 8,000 hectares of deserted mountains and waste land have been developed since then.

To spread the successful experience of the county, the province has recently worked out a scheme for the development of its uncultivated land resources. The scheme outlines that more 85 percent of the deserted mountains, waste land, water surfaces and shoal areas should have been developed by the end of this century.

The provincial government has also made a series of policies to encourage investors from both in and out of the country to develop uncultivated land resources.

Experts hold that the separation between the property and the use right will not only promote the development of waste land but also create new opportunities for farmers and investors.

Liaoning Secretary on Township Enterprises

SK0810133794 Shenyang LIAONING RIBAO in Chinese 18 Sep 94 pp 1, 4

[By reporter Gong Junchun (7895 0193 4783): "Strengthen Confidence, Accelerate Development, and Make Township Enterprises Attain a New Level"]

[FBIS Translated Text] The provincial work meeting of provincial governor, city mayors, and county and township heads on accelerating the development of township enterprises lasted five days and closed in Dalian on the afternoon of 17 September. Gu Jinchi, secretary of the provincial party committee, made a summary statement at the close of the meeting. He fully affirmed the great achievements made by township enterprises in recent years and the decisive position of township enterprises in the economy of rural areas and even in the whole province. He called on cadres and masses across the province, particularly the broad masses of staffs and workers on the township enterprise front, to strengthen

confidence, make persistent efforts, accelerate development, raise Liaoning's township enterprises to a new level, and make great contributions to the province's "second pioneering program."

Wen Shizhen, deputy secretary of the provincial party committee and acting governor of Liaoning Province, presided over the meeting.

The summary statement made by Gu Jinchi is composed of four parts.

First, we should fully recognize the strategic role of township enterprises in Liaoning's "second pioneering program."

In recent years, there was a great development in Liaoning's township enterprises and particularly, since the beginning of the nineties, the development has been further accelerated. Hence, a large number of advanced enterprises has emerged and miracles of economic leap have been created one after another. This has greatly encouraged and heightened our spirit. At present, township enterprises in our province have accounted for one-third of Liaoning's economy, or 90 percent of the rural economy, thus serving as the main bodies of the rural economy. The development of township enterprises has greatly contributed to Liaoning's economy and the spiritual and material civilization construction. Under the situation in which the growth rate of state-owned industrial units tends to slow down, the great increase in township enterprises has enabled the economy of the whole province to maintain a rapid growth trend. Township enterprises have gradually become the new important sources of the provincial financial revenue along with the continuous increase of their tax payment. The unceasing increase in the financial resources of counties and townships and the substantial increase in the average per capita income of peasants have mainly come from township enterprises. Although the rural areas of the whole province have been hit by serious natural calamities during this year, all districts have shown a fairly strong ability to withstand the strains. Judging from the angle of economic strength, it is mainly resulted from the development of township enterprises. The tremendous contributions of township enterprises should not be left unrecognized.

Township enterprises are the important pillars and one of the main forces of Liaoning's "second pioneering program." In order to narrow the gap between our province and the advanced provinces and to realize the strategic goal of making people prosperous and invigorating the province, we should rely on the economic leap of township enterprise to a large extent. Under the present situation that the majority of state-owned enterprises are making slow progress, the development situation of township enterprises has become the crucial factor to determine the economic outlook and position of all districts. Where there is the early and deep recognition of the issue, there is the possibility of making breakthroughs in work. In July this year, the provincial

authorities held a work meeting on doing a good job in developing state-owned large and medium-sized enterprises. In view of this, a number of comrades had some doubts about whether the provincial authorities have paid attention to the large- and medium-sized enterprises at the expense of township enterprises. It is unnecessary to have this doubt because we have paid attention to state-owned enterprises not just now, but have never slackened in this aspect. Liaoning Province is one where state-owned large and medium-sized enterprises are fairly concentrated, and the state-owned large and medium-sized enterprises have occupied a decisive position in the economy of the whole province. Thus, we should do a good job in grasping state-owned large and medium-sized enterprises by every possible means because this work has not only an economic significance but also a profound political significance.

It is not a relationship of mutual opposition and rejection, but a relationship of mutual complementarity, promotion, and development between doing a good job in running state-owned large- and medium-sized enterprises and developing township enterprises. Only by successfully running state-owned large- and medium-sized enterprises can we bring along a large number of township enterprises; in turn, only by cooperating and uniting with township enterprises can the large- and medium-sized enterprises resolve their deficiencies and get better development. We should not only strive to do a good job in running state-owned large- and medium-sized enterprises but also devote great efforts to developing township enterprises, and make them become the two main forces of mutual support and promotion for invigorating Liaoning. Regarding the development of township enterprises as one of the strategic priorities is the important decision made by the provincial party committee and government. Practice proves that this decision is correct and practical; hence, we should unwaveringly carry it out without slightly slackening efforts.

Second, we should develop the advantages of city groups, integrate the urban and rural economies, and accelerate the development of township enterprises.

There are many reasons for the increasingly wider gap between township enterprises in our province and those in Jiangsu and other provinces, of which, a very important one is the inadequate recognition and use of the advantages of our province in developing township enterprises. What are the advantages of our province? The prominent one lies in the concentrated city groups with strong economic strength and high technological level, which is rarely found in the whole country. In China, every 150,000 square kilometers of land will have a city with a population of more than 500,000. But our province has such kind of cities in every 15,000 square kilometers of land, and the density of cities is 10 times of the national average.

Moreover, the density of our railroads and highway networks is several times higher than the nation's

average level, and the coastline is more than 2,000 km, hence, the proportion of areas with "railroads, highway networks, and coastlines" in our province is larger than that of any other province. In addition, we have a large number of large- and medium-sized enterprises and scientific and research organizations, and have rich human and material resources in many fields. These are the most important external conditions on which the township enterprises can rely for development. If we make a careful study, we will find that any district whose township enterprise development is in rapid progress has a relationship with "railroads, highway networks, and the coastline" and has close connections with the urban areas. These are the results of influence from cities. Since our province has such concentrated groups of cities and the given good conditions, the development of township enterprises should be quicker and better. The crucial issue involved here is that we should have correct recognition, adopt realistic and workable measures, and give full play to the advantage of the city groups. In developing township enterprises, Liaoning should establish the policy of making cities to bring along townships and combine the efforts of urban and rural areas, devote great efforts to successfully carrying out this work in the course of practice, make the essential production factors of rural and urban areas realize optimum organization and rational distribution, and continuously create new productive forces.

In the past, we did lots of work in making the advantages of urban and rural areas complement and promote one another so as to attain common development, and some districts achieved significant results in this regard. But as far as most districts in our province are concerned, they still fail to give enough impetus to the work and lack specific measures; some of them even maintain the attitude of regarding the work as a general call. This situation should be changed. All party committees, governments, and economic functional departments should foster the ideas of combining the urban and rural economies, strengthen leadership, organize the implementation work, and promote the progress of integrating the urban and rural economies and making them complement and promote each other through economic means and essential administrative means. The rural areas should break with the shackle of the close consciousness, actively take the initiative in drawing close to the urban areas, and in addition to keeping eyes on the cities of our province, also actively establish various economic ties with the cities of other provinces and foreign countries.

Third, we should realistically shift the development priority to the path of relying on scientific and technological progress and to enhancing the quality of laborers.

At present, the development of township enterprises in our province has not only witnessed an unprecedentedly good trend, but has also faced increasingly stern tests and challenges. Under this situation, it is quite difficult for township enterprises to merely depend on the flexible mechanism and means, the cheap resources and labor

forces, and the government's tax reduction and offer of more benefits to investors. In view of this, we should have a sober mind and adequate recognition, adopt correct development policies and strategies, regard the development of products, the enhancement of efficiency, and the occupation of a secure place in the market as the central tasks, and on one hand, pay attention to development and on the other hand, pay attention to enhancing efficiency. We should promptly change our standpoint to the path of relying on scientific and technological progress and enhancing the quality of laborers, strive to enhance the scientific and technological level of township enterprises, and raise the competitiveness of products. The future market competition is mainly the technological competition; those who can occupy the commanding point of science and technology will occupy the commanding point of economy, those who lag behind in action and technology will be eliminated through the competitive law. Hence, the party committees and governments at all levels and various township enterprises should strengthen the sense of urgency of relying on scientific and technological progress to seek development, adopt various measures, and enhance the scientific and technological level of township enterprises in an effort to really enter the expressway of speedy and highly efficient development. In the course of relying on scientific and technological progress to develop township enterprises, we should carry out the principle of "giving different guidances to different cases and pressing ahead in echelon." Districts with rapid progress should devote great efforts to developing high and new-technology industries and products and form a "large-scale, high-technology, and export-oriented" new economic pattern. Less developed districts should seize the opportunity and give impetus to work, and in the course of achieving big development, also foster the ideas of high starting point, high technology, and high efficiency, actively create conditions, and realize the speedy, high-level, and great-stride developments. The crux to enhance the level of township enterprises is to enhance the quality of personnel. Thus, we should devote great efforts to attracting and training qualified personnel capable of handling all tasks.

Fourth, we should properly handle some relationship issues in the course of developing township enterprises.

The relationship between the money supply from banks and self-raised funds. Recently, I went to the rural areas to conduct investigation and study and found out that their prevalent reflection is the shortage of funds for developing township enterprises. In my point of view, there are mainly two ways for solving this issue.

First, the governments at all levels should do their best to increase input, and at the same time, banks should extend some loans to township enterprises. Second, we should tap new financial resources through reform. For the vast numbers of township enterprises, I think the second way is the direction and also the positive and workable way. All township enterprises should broaden

their visions and raise funds through more flexible ways and various channels. The more the reform is deepened, the more clearly we know that we cannot basically solve the issue of enterprise development funds only by relying on bank loans. The experiences of many districts and enterprises indicate that at present, the best way of solving the issue of the shortage of funds is to develop the shareholding cooperative system.

Along with the development of rural economy, the average per capita income of rural areas has increased by a large margin and peasants' total savings deposits and cash in hand have also greatly increased. This has laid a foundation for collecting funds from the masses. We should actively carry out the shareholding cooperative system in township enterprises because it is advantageous not only to perfecting the operational mechanism but also to raising the development funds. This system should be actively carried out. For some time to come, the newly built township and village enterprises, if conditions permit, should implement the shareholding cooperative system. The original enterprises also should accelerate transformation by implementing the shareholding cooperative system. We should form the mechanism of encouraging the nongovernmental investments and guarantee the lawful income of investors. Township enterprises are well received by the foreign businessmen and have greater attraction to foreign investors because of their flexible mechanisms, quick decision, and high efficiency. Therefore, we should regard the work of actively attracting foreign funds as an important channel to resolve the shortage of funds.

The relationship between the collective and individual systems. We should adopt the principle of simultaneous using various ownerships and systems while developing township enterprises. Neither should we merely pay attention to developing the collective economy nor put undue emphasis on the private economy. But what we should uphold is to let enterprises develop what is suitable for their development; therefore, we should give impetus to any ownership that makes rapid progress. Enterprises that have achieved rapid and good development in market competition should be encouraged and supported. In the course of development, we also should pay attention to bringing along the development of the individual and private sectors of the economy through developing the collective economy. This is not contradictory to the practice of encouraging the simultaneous development of the collective and individual sectors of the economy. The unceasing expansion of the collective economy is conducive to reducing peasants' burdens, developing various collective enterprises, perfecting the socialized service departments in rural areas, expanding the service sphere, and raising the service level. Through rendering good service, the collective economy can organize and bring along peasants, boost the enthusiasm of all sectors, and help in creating a situation in which thousands upon thousands of households have engaged in developing township enterprises. Particularly, the

industries of planting and aquaculture and the processing industry that are suitable for decentralized operation should take the path of making companies bring along peasant households. It is necessary to combine the development of township enterprises with that of specialized households and villages. The collective economy should give full play to the functions of organization, coordination, and service, help each and every enterprise eliminate misgivings and difficulties in production, link itself with the domestic and foreign markets, and become a pillar industry with strong specialization and regional characteristics.

The relationship between the decentralized and centralized distribution. During the initial development stage of township enterprises, it was a sign of prosperity to develop township enterprises in all villages and areas, but this also caused some problems. The unduly decentralized distribution made us pay a price in ecological environment, economic efficiency, and land resources. Consequently, various enterprises had no choice but to solve on their own the problems in transportation, communications, the supply of electricity and water, sewage treatment, and the storage of goods. This made them unable to obtain great efficiency, caused the tertiary industry in the rural areas to remain stagnant and lag far behind, and delayed the progress of urbanizing the rural areas. In recent years, all districts have the recognition of proper concentration and start to readjust the distribution of enterprises. The whole province has established 64 fair-sized small industrial areas. Doubtlessly, this is progress. However, we must have a proper concentration of enterprises and give consideration to the rational scale in line with the local conditions. We should ensure that the industrialization of rural areas keep pace with the urbanization of rural areas, and combine the development of township enterprise with the construction of small cities and towns. We should pay attention to maintaining the superiority of township enterprise mechanism and not to following the old road of making state-owned enterprises bear financial burdens in support of social undertakings.

Qi Jingfa, director of the Township Enterprise Bureau of the Ministry of Agriculture, introduced the development situation of the country's township enterprises and made pertinent suggestions for Liaoning's township enterprise development.

Leading comrades of Liaoyang city, Haicheng city, the Xiaoxinzhaizi village of Ganjingzi District in Dalian city, and other units made statements of their positions in the meeting.

Also attending were Cao Bochun, Sun Qi, Xu Wencai, Xiao Zuofu, Li Jun, Ma Pinfang, and other leading comrades.

Liaoning Police Arrest 5 for Possession of Firearms

SK0810022194 *Shenyang LIAONING RIBAO* in Chinese 24 Sep 94 p 1

[FBIS Translated Text] At the northern railway station on 19 September, the no. 7 police task force of the

Shenyang Security Bureau, supported by the security subbureau of the northern railway station, arrested five persons illegally carrying firearms and ammunition; confiscated three five-shot rifles, 190 bullets, and a Japanese-style sabre; and damaged an underworld gang of hooligans possessing guns.

At the beginning of the year, Zhao Shuhua from Sichuan Province, Cao Honghai from Jilin Province, and Zhang Zhonghai, Jiang Kuiwen, and Liu Feng from Dalian had gathered in Dalian to illegally purchase knives and guns. They plotted to commit crimes in the southern areas of the country, including Hangzhou. On 19 September, Zhao Shuhua and the other four, carrying the knives and guns, were arrested in Shenyang as they attempted to change trains from Dalian to the south.

Northwest Region

Gansu Secretary Chairs Irrigation Work Meeting

HK1110065394 Lanzhou Gansu People's Radio Network in Mandarin 2300 GMT 7 Oct 94

[FBIS Translated Excerpt] Yesterday afternoon [6 October] the provincial party committee and the provincial government held a radio and televised meeting on autumn, winter, and spring farmland irrigation work. Provincial party Secretary Yan Haiwang presided over the meeting and Governor Zhang Wule made overall arrangements for the province's farmland irrigation work for this winter and next spring.

Zhang Wule said: First of all we must seriously implement the instructions of the national meeting on irrigation work, seriously sum up the province's experiences and lessons in irrigation work, and improve our understanding of the importance of speeding up the construction of irrigation projects.

Zhang Wule pointed out: The provincial party committee, the provincial government, and all county leaders regard the construction of irrigation projects as a basic industry of agriculture and the national economy. [passage omitted]

Ningxia Hui Autonomous Region Expects Record Harvest

OW1010131694 Beijing XINHUA in English 1240 GMT 10 Oct 94

[FBIS Transcribed Text] Yinchuan, October 10 (XINHUA)—The Ningxia Hui Autonomous Region in northwest China expects a record harvest of autumn grain crops despite severe drought, according to the regional government.

An official of the regional government estimated autumn grain crop output will reach 1.18 million tons, 7.5 percent more than that of last year.

Governments in the autonomous region, where mainly the people of Hui nationality live, have done their

upmost to mitigate the effect of the drought by spreading the use of new agricultural techniques, extending more loans to farmers, supplying more chemical fertilizers and expanding the acreage sown to grain crops.

Ningxia's grain output is expected to reach two million tons this year.

Qinghai Secretary Relays Plenary Session Instructions

HK1110065294 Xining Qinghai People's Radio Network in Mandarin 2300 GMT 7 Oct 94

[FBIS Translated Text] The provincial party committee held a meeting yesterday, during which Yin Kesheng, member of the CPC Central Committee and secretary of the provincial party committee, relayed the instructions of the Fourth Plenary Session of the 14th CPC Central Committee.

Yin Kesheng said: The Fourth Plenary Session of the 14th CPC Central Committee was convened during a crucial period of profoundly implementing the instructions both of the 14th CPC National Congress and the Fourth Plenary Session of the 13th CPC Central Committee, speeding up the establishment of the socialist market economic structure, and deepening reform, opening up, and socialist modernization. This plenary session had an important bearing on the overall situation. The session focused on discussing party building and made a decision on strengthening party building and other major issues.

After briefing the participants on how the decision took shape and on its main contents, Yin Kesheng said: In studying and implementing the decision, we must correctly understand our party's present situation, fully confirm the great achievements in party building since the introduction of reform and opening up, and have a good idea of the three issues in the party's organizational buildup, namely upholding and perfecting democratic centralism, strengthening and improving the party's grass-roots organizational buildup, and training and selecting leading cadres who have ability and political integrity. Yin Kesheng asked all party committees in localities and departments to speedily relay the spirit of the plenary session to all party members, to set off an upsurge of studying and implementing the spirit of the plenary session throughout the province. All levels of leading cadres, particularly leading cadres at the county section level and above, must take the lead in studying and implementing the spirit of the Fourth Plenary Session, and must adopt effective measures to deepen this study.

The provincial party committee will hold the Third Plenary Session of the Eighth Provincial CPC Committee in November to specifically map out the province's work on party building. All localities and departments must conduct profound investigations, analyze prominent problems and weak links in their party

building, and work out measures and proposals on strengthening party building. Departments at the provincial level and all levels of party committees must strengthen their supervision and inspection over the implementation of the decision. Higher levels of party committees must also seriously supervise localities in implementing the decision. [words indistinct]

Tian Chengping, alternate member of the CPC Central Committee and governor, relayed the spirit of General Secretary Jiang Zemin's speech at the plenary session.

Song Ping Inspects, Praises Shaanxi's Yanan

HK1010101894 Xian SHAANXI RIBAO in Chinese 28 Sep 94 p 1

[By staff reporter Zhu Guang (4376 0342): "On Inspection Tour of Yanan, Comrade Song Ping Emphasizes Yanan Spirit Must Not Be Abandoned"]

[FBIS Translated Text] During an inspection tour of Yanan from 24 to 26 September, Comrade Song Ping stressed that it is necessary to vigorously consolidate the basic-level party organizations in rural areas, bring into play the role of rural party branches as a fighting bastion and the role of party members as exemplary leaders, and lead the broad masses to carry forward the Yanan spirit, work arduously for this cause, and make great efforts with a view to achieving a comparatively comfortable life in rural areas.

Accompanied by Deputy Provincial Party Secretary Liu Ronghui; Provincial Vice Governor Liu Chunmao; Zhang Zhiqing, commissioner of the administrative office of Yanan Prefecture; Yao Daiming, deputy Yanan prefectural party secretary; and other party and government leaders, Comrade Song Ping paid inspection tours on Xiantou Village of Qilin Township in Yichuan County, Miaogou Village of Zaoyuan Township in Yanan City, and Yanan City's Xinhua Ceramic Factory. Braving the rain, he visited some peasant households and listened to reports given by Yanan Prefecture and Yanan city. Comrade Song Ping said: There have been huge changes in the face of Yanan. Its economy has developed a great deal, its traffic situation has eased, and its people's living standards have improved remarkably. I am delighted.

After visiting several revolutionary sites in Zaoyuan, Yangjialing, Wangjiaping, and Fenghuangshan, as well as the Lunxun Art Museum and the Yanan Revolution Museum, Comrade Song Ping said: The Yanan spirit is a great advantage for Yanan. It is also the precious wealth of our entire party. The practice of China's revolution shows that, with a correct line and with the Yanan spirit, all difficulties can be overcome. This spirit must not ever be abandoned and must be carried forward forever. Right now it is necessary to closely integrate the furtherance of the Yanan spirit with patriotic education; carry out education in patriotism, collectivism, and socialism for vast numbers of cadres and people, especially for

young people; and foster correct ideals, beliefs, and world outlook. It is necessary to make Yanan, the revolutionary holy land, a base for education in revolutionary traditions.

Speaking on agricultural and rural work, Comrade Song Ping said: Readjusting the industrial structure of rural areas and vigorously developing a diversified economy and township and town enterprises on the precondition of guaranteeing grain production is a successful way to speed up agricultural development and improve the peasants' income. There is very great potential and good prospects for agricultural development. We should integrate crop growing, livestock breeding, and processing. We should combine production, supply, and marketing and make efforts in the deep processing of farm products and in their storage, transportation, and sale. In this way, there will be new developments in the industrial structure and returns will greatly increase.

Comrade Song Ping also spoke on science and technology, education, and family planning.

Xinjiang Holds Conference on Taxation, Price Inspection

OW0810140994 Urumqi XINJIANG RIBAO in Chinese 27 Sep 94 p 1

[By reporters Shi Qiaomei (1597 1564 2734) and Li Niandong (2621 1819 2639): "Regional Telephone Conference Asks All Localities To Institute Meticulous Organization, Strengthened Leadership, and Effective Tasks for the General Inspection on Taxation, Finance, and Prices"]

[FBIS Translated Text] The Xinjiang Autonomous Region held a telephone conference on 26 September to mobilize forces for the 1994 general inspection in taxation, finance, and prices. The conference asked all localities to institute meticulous organization and strengthened leadership for earnest implementation of various tasks for this year's general inspection.

This year's general inspection begins with immediate effect and will end at the end of the year. The principal tasks are to investigate various activities that violate financial and economic laws and discipline in 1994 as well as unchecked and uncorrected illegal activities of 1993. The inspection covers all enterprises, administrative and business units, social organizations, and individual industrial and commercial households. The meeting asked all units and individuals under inspection to also earnestly conduct self-inspection. On this basis, all localities and departments must select a group of backbone staff to form key inspection groups, whose extent of inspection should not be less than 40 percent. Units that must come under key inspection include: major taxpayers who pay value-added and consumer taxes; businesses and enterprises that incur heavy losses; financial and insurance enterprises and nonbank financial organizations; real estate development enterprises,

securities companies, and other more complicated businesses of tertiary industry; foreign trade enterprises and enterprises that possess self-operational rights in foreign trade; enterprises that defraud the state of preferential taxation treatment in the guise of civic, welfare, and school organizations, and joint ventures; departments, businesses, and enterprises that people complain of instituting wanton price hikes, fee collections, and fines; as well as businesses and enterprises that localities and departments feel should be inspected.

On the basis of inspecting the implementation of state laws and regulations on finance, taxation, and prices in enterprises and units, the inspection will center on various irregularities that emerge during the course of implementing new financial and taxation systems and price policies.

Xinjiang government Vice Chairman Wang Yousan delivered an important speech at the conference. In his speech, Wang Yousan first affirmed the achievements of the 1993 general inspection in taxation, finance, and prices. He also forwarded his demands for this year's general inspection. He said: "The general inspection must be closely centered on the overall situation of reform, development, and stability as well as on safeguarding the legitimate rights and interest of enterprises and units. All activities that violate financial and economic laws must be dealt with in accordance with the law. Meanwhile, the inspection must be closely integrated with the tasks of strengthening legal system education, increasing revenues and conserving spending, bringing market prices under control, and promoting the building of a clean government to ensure the smooth accomplishment of various financial and taxation system reform measures and this year's budget." Because of this, Wang Yousan asked all localities to, first, do a good job in publicity for the general inspection; second, concentrate their energies on key inspection, on the basis of generally spurring enterprises to earnestly conduct self-inspection; third, strictly master their understanding of policies and deal with various illegal activities in accordance with the law; fourth, ensure that fines imposed on inspected cases must be paid into the treasury; and fifth, realistically strengthen their organization and leadership in the general inspection.

Xinjiang Production Corps Celebrates 40th Anniversary

OW1010162894 Beijing XINHUA in English 1606
GMT 10 Oct 94

[FBIS Transcribed Text] Urumqi, October 10 (XINHUA)—The Xinjiang Production and Construction Corps today gathered to celebrate its 40th birthday here in Urumqi city, capital of northwest China's Xinjiang Uygur Autonomous Region.

The corps was formerly a troop of the People's Liberation Army stationed in the region, which was later

demobilized in order to help the local people recover economy, to keep social stability and to safeguard the borderlines.

State Councillor Luo Gan and his party came here to send a message from the party Central Committee, the State Council and the Central Military Commission to congratulate the achievements the corps has made in the past 40 years.

Luo also conveyed sincere greetings from President Jiang Zemin and Premier Li Peng to the whole workers and staff members of the corps.

The message reads that the history of the past 40 years has proved that to form a production and construction corps in the region is a forceful measure to promote the development of the local social productive forces.

It says that under the new historical conditions, the production and construction corps is still of great practical and profound historical significance to developing the country's western border areas and to protecting the social stability there.

The corps, with a population of 2.2 million people, has set up a great number of political, economical, military and social special organizations in industry, agriculture, education, science, technology, culture and medical care.

Over the past years, the grain output of the corps has accounted for 20 percent of the region's total each year, that of edible oil for 24 percent, the cotton for 36 percent and the beet for 35 percent. The corps also has provided a large amount of industrial and livestock products.

In 1994, the gross domestic product of the corps is expected to triple the figure of 1980, with the revenue to rise by 2.3 times and the average annual per capita income of the workers by 1.8 times.

Luo, also secretary-general of the State Council, and his party visited several factories and farms and paid a special visit to the museum of late Premier Zhou Enlai in the region.

Xinjiang Draws On Overseas Experts, Training

OW1010091694 Beijing XINHUA in English 0859
GMT 10 Oct 94

[FBIS Transcribed Text] Urumqi, October 10 (XINHUA)—Northwest China's Xinjiang Uygur Autonomous Region has invited 1,100 foreign experts to work for the local undertakings over the past few years, local officials said.

Meanwhile, 1,500 local people have been sent abroad to be trained as part of a program of introducing overseas intelligence.

In 1993 alone, a total of 2,371 foreign experts came to Xinjiang for economic cooperation, scientific exchanges or technical consultancy, the officials said.

The program, focusing on projects which have a major effect on the local economy, has contributed to the region's development, they said. It has brought about an additional output value of 430 million yuan (50 million U.S. dollars).

A case in point is the introduction of a new method of planting rice from Japan in 1991. The region invited Japanese experts to lecture and guide local agrotechnicians while sending Chinese experts to Japan to study. As a result the technology has been applied to 66,000 hectares of farmland, which produced an additional of 100,000 tons of rice between 1991 and 1994.

Xinjiang City Attracts Foreign Investor's Attention

*OW1110093294 Beijing XINHUA in English 0806
GMT 11 Oct 94*

[FBIS Transcribed Text] Urumqi, October 11 (XINHUA)—Hami, a geographically important city connecting northwest China's Xinjiang Uygur Autonomous Region with the coastal provinces, has opened its arms to investors from all parts of the world.

The city, famous for its Hami-melon, also abounds in natural resources. It has the largest open-pit coal mine in the northwestern part of China and abundant gold resources. Its copper-nickel deposit is the second largest in the nation.

Recently, rich oil reserves have been discovered.

In September, hundreds of businessmen from the Republic of Korea, Malaysia, Australia and some other countries came to the city to seek cooperation opportunities in jointly exploring the resources.

A Sino-Australia joint venture has been set up to produce tomato jam. A Hong Kong businessman has invested in the garment industry, using Hami's high quality wool.

Now, Hami has become a bridgehead on the modern silk road, linking east China with the Middle Asian countries, and further with Europe.

Xinjiang's Ethnic Minorities Running Businesses

*OW1110094794 Beijing XINHUA in English 0826
GMT 11 Oct 94*

[FBIS Transcribed Text] Beijing, October 11 (XINHUA)—The establishment of markets has attracted an increasing number of ethnic minority people in the Xinjiang Uygur Autonomous Region.

A survey shows that half of the region's 280,000 self-employed households are run by ethnic minorities, and the number of private businesses run by ethnic minorities accounts for at least 10 percent of the region's total.

So far, a large number of people from the Uygur and Hui ethnic minorities, which have a tradition of doing business, are engaged in catering trade, commerce and transportation, and some even have set up factories.

In many big cities across the country, restaurants and food stands run by Uygur and Hui people can be seen here and there.

Moreover, many people from Kazak, Mongolian and Kyrgyz ethnic minorities, which are accustomed to nomadic life, have taken up business, such as serving as tourist guides, leasing their houses, opening restaurants and selling handicraft articles at scenic spots across the region.

PRC Rejects Taiwan Talks in 'International Arena'

HK0810060094 Hong Kong AFP in English 0422 GMT 8 Oct 94

[FBIS Transcribed Text] Beijing, Oct 8 (AFP)—China firmly rejected Saturday an offer by Taiwan President Li Teng-hui to meet informally with his mainland counterpart Jiang Zemin during international events.

While agreeing with the importance of developing high-level contacts between the two rivals, a Chinese foreign ministry spokesman made it clear that any attempt to drag bilateral negotiations into the international arena was unacceptable to Beijing.

"Engagement and negotiation between leaders of both sides are purely an internal affair which can entirely be proposed and arranged through existing channels across the Taiwan Straits," the spokesman said.

"It is unnecessary to do this by making use of the so called 'international arena,'" he added.

Beijing has viewed Taiwan as a renegade province ever since nationalist forces fled to the island after losing a civil war to the communists on the mainland in 1949.

A Taiwan presidential spokesman Tuesday said Li would not mind whether the meeting was held in Beijing or Taipei, so long as the venue was hosting an international event.

He stressed that such a meeting would have to be conducted publicly, never privately.

There has never been a summit between leaders from Beijing and Taipei, which both claim to be the legitimate government of all China.

"If Li Teng-hui indeed has the sincerity to realise the contact between high-level leaders across the Straits, he should not insist on using the 'international arena' as a prerequisite for the meeting," the Chinese foreign ministry spokesman said.

"We sincerely hope the Taiwan authorities will set store by the great issue of national reunification and make more veritable efforts to achieve it," he added.

PRC Official on Taiwan's Olympic Status

OW1010120194 Beijing XINHUA Domestic Service in Chinese 1212 GMT 9 Oct 94

[FBIS Translated Text] Hiroshima, 9 Oct (XINHUA)—Tu Mingde, deputy secretary general of the Chinese Olympic Committee [COC], discussed substantive issues concerning the Nagoya resolution during an interview with a reporter in Hiroshima today.

In his opening remarks, Tu Mingde said: In a speech delivered at a congress of the Olympic Council of Asia [OCA] on 6 October, COC President Wu Shaozu

reminded participants that they were there to carry forward the Olympic spirit, and to promote peace, friendship, unity, and harmony in Asia. However, politics has interfered with the current Asian Games. The only way to solve this problem is to handle matters in strict accordance with a resolution adopted in Nagoya in 1979 by the International Olympic Committee [IOC]. We fully applaud and are grateful to the many delegates who made friendly and righteous speeches at the congress. Wu Shaozu's speech pointed out that the political interference in the Hiroshima Asian Games had, in essence, violated the principles governing the Nagoya resolution. Dodging the issue concerning the principles governing the Nagoya resolution in a speech delivered at the congress, a representative of the Chinese Taipei Olympic Committee [CTOC] instead said that a contract signed with the IOC in 1981 had qualified the CTOC for equal participation as a state Olympic committee in Olympic events and international sports organizations.

Tu Mingde said that as one of the representatives at the 1979 Nagoya meeting, he is clearly aware that the Nagoya resolution, in essence, aimed to solve the issue of Taiwan's status in the IOC. The IOC understands that there is only one China in the world, and that Taiwan is an inalienable part of China's territory. Therefore, the Nagoya resolution formulated at the time explicitly demanded that the name, flag, and song of the Olympic committee in Taipei be changed, and that Taiwan be allowed to participate in all Olympic events and international sports organizations as "Chinese Taipei." The resolution thus settled the issue of Taiwanese athletes returning to the big Olympic family. The 1981 Taiwan-IOC contract, made on the premise of implementing the 1979 Nagoya resolution, spelled out the "three changes" in black and white. The issue of the IOC endorsing Taiwan's participation in competitions as a state Olympic committee simply does not exist.

Tu Mingde said that his speech on the above-mentioned issue at the OCA congress won rapturous applause from participants.

Tu Mingde said: As IOC President Samaranch said at a press conference in Hiroshima, the Taiwan issue has already been settled. Taiwanese athletes may participate in the Olympic games and other sports events under the name of CTOC. They are permitted to use only the CTOC flag and song. Obviously, the "Hiroshima trip" made by Xu Lide [Hsu Li-te] is a carefully calculated political plot that is an out-and-out violation of the Nagoya resolution.

Taiwan Credit Cards Function in Shanghai Machine

HK0910031694 Beijing ZHONGGUO XINWEN SHE in English 0440 GMT 8 Oct 94

[FBIS Transcribed Text] Hong Kong, October 8 (CNS)—Since American-funded Citibank opened the automatic machine service for drawing money from the Bank in Shanghai on October 6, which is the first machine of this

kind in the mainland, Taiwan people who hold the international credit card of the Citibank can draw renminbi from this machine in the mainland.

The machine is placed in the famous Peace Hotel at the Bund of Shanghai, providing services of drawing renminbi, transferring accounts and consulting outstanding savings. Clients bearing the international credit cards of the Taiwan-based Citibank are allowed to draw renminbi equivalent to

50,000 new Taiwan dollars in value every day. The Taiwan-based Citibank will deduct the same amount from clients' account later.

In addition, clients bearing credit cards of the Taiwan-based China Trust Bank and the China International Commercial Bank are also allowed to draw renminbi through this machine, but they have to pay service fee of 65 to 70 new Taiwan dollars every time.

'Thousands' Celebrate National Day in Taipei
OW1110140294 Taipei CNA in English 1329 GMT 11 Oct 94

[By Benjamin Yeh]

[FBIS Transcribed Text] Taipei, Oct. 11 (CNA)—Tens of thousands of people gathered in front of the Presidential Office Tuesday [11 October] afternoon to celebrate the Republic of China [ROC]’s 83rd birthday, which fell on Monday.

President Li Teng-hui spoke before the gala rally, postponed because of the effects of Typhoon Seth. “Neither wind nor rain can stop our love of the country,” Li said, calling on the general public to continue showing confidence in the nation.

The activities were kicked off by a flyover of S70c and H1h helicopters, indigenous defense fighters and AT3 trainers.

The celebrations featured a parade that included student groups, flowered floats, bands, traditional Chinese dance troupes, taekwondo performers, and choral groups.

Among the foreign dignitaries present at the celebrations was Central African Republic President Ange-Felix Patasse, who arrived here on Friday and is scheduled to depart Wednesday.

Dignitaries Extend National Day Greetings to Li
OW1010141294 Taipei CNA in English 1331 GMT 10 Oct 94

[By Bear Li]

[FBIS Transcribed Text] Taipei, Oct. 10 (CNA)—Central African President Ange-Felix Patasse and some 170 foreign dignitaries on Monday [10 October] extended their national day greetings to President Li Teng-hui at the Presidential Office.

Meanwhile, more than 4,000 people took part in a “double ten” cocktail party sponsored by the Foreign Affairs Ministry at the Taipei Guest House Monday evening.

President Li, Vice President Li Yuan-zu and their wives were present at the party to accept the blessings of the attendees.

Foreign guests attending the party included Patasse and his wife, Papua New Guinea Vice Prime Minister Chris Haiveta, South African Air Force Commander-in-Chief Lt. Gen. Ames Kriel, and parliamentarians from the Central African Republic, South Africa, Japan and Britain, as well as members of the foreign diplomatic corps here.

Premier Lien Chan, Legislative Yuan President Liu Sung-fan, ranking central and local government officials,

lawmakers and representatives of overseas Chinese communities from around the world were also on hand to celebrate the ROC’s [Republic of China] 83rd anniversary.

Li Teng-hai Delivers 10 Oct National Day Speech

OW1010051494 Taipei China Broadcasting Corporation News Network in Mandarin 0224 GMT 10 Oct 94

[Speech by Taiwan President Li Teng-hui at Chungshan Hall in Taipei on 10 October—live]

[FBIS Translated Text] Dear compatriots at home and abroad, ladies, and gentlemen: Today is the 83d national day of the Republic of China [ROC]. Everybody is jubilantly celebrating this great day with joy and the spirit of hard-work. Since our founding father founded the ROC, thousands of millions of compatriots across the country have been unceasingly waging hard struggles for the country’s future. Having witnessed the prosperity, progress, vitality, and vigor all over the ROC on Taiwan today, we are all the more full of confidence in and have a firm desire for a bright future of the Chinese nation.

Our efforts to promote constitutional reform, put the right of autonomy in the hands of the people, and converge interests are aimed at integrating the free will of individuals with the nation’s overall well-being and establishment of a modern and civilized society. Compatriots across the country have worked with one mind, shared honor and disgrace, overcome difficulties, and undergone hardships to fulfill this ideal over the past years.

Having set up the framework for a constitutional government, the state should enter a stage of re-establishing the new order in an all-round way. We must guarantee the judicial system, display universal principles and justice, and reform the system for education to promote social welfare; carry out administrative reform to raise government efficiency; continue economic development to build up a firm foundation for the state; promote cultural development to improve living quality; take part in international affairs for a place in the international arena; and consolidate the strength of national defense to ensure prosperity and progress. These are all vital to the state’s development and therefore should be simultaneously advanced through all means and in an all-round way, so as to completely reach the goal of modernization.

We have never wavered in our pursuit of the ideal of bringing freedom, democracy, progress, and unification to the whole of China in accordance with the National Unification Program. We will continue unwaveringly to make all-out efforts to promote pragmatic diplomacy to realize the objective of replacing confrontation with cooperation and guaranteeing prosperity through peace. With justice on its side, and because it is open and

above-board, this fundamental national policy will definitely stand the test of time and eventually claim its victory.

An era where sovereignty lies in the people's hands has dawned. Everybody should arouse their consciousness of being the master of the country, and shoulder due responsibility. As long as we move with one heart and one mind, pool the wisdom and efforts of everyone, and inspire ourselves and encourage each other to become first-class citizens, we will definitely be able to stand side by side in the near future with other first-class countries of the world. Looking ahead, our country has a bright future. Let us move faster toward our objective, and work hard together to create a new era for the ROC.

I wish the ROC good fortune, and health and happiness to all honorable guests, fellow countrymen in the whole country, and overseas Chinese.

Thank you.

Calls For Peaceful Competition

OW1010044194 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 10 Oct 94

[From the "Hookup" program]

[FBIS Translated Text] In his National Day message marking the 83d founding anniversary of the Republic of China [ROC], which was released yesterday, President Li Teng-hui sincerely called on the Chinese Communist authorities to eliminate unnecessary ideological confrontation and open up an era of peaceful competition between the two sides of the Taiwan Strait.

Li said the ROC should devote its efforts to fulfilling the following future tasks: To improve the judicial system and the educational system, carry out administrative innovations, continue economic development, expand cultural construction, expand its international role, and strengthen its national defense.

Li pointed out: The course in which the ROC has gone through fighting for its survival in Taiwan has created a [words indistinct] for the Chinese nation. [words indistinct]

Li added the (?completion) of constitutional reform represents the achievements of the Chinese people on Taiwan, Penghu, and Matsu. This fully proves that the Chinese nation has the ability to follow the path of peace and rational thinking, withstand the tide of human history, implement constitutional democracy, and accomplish national modernization.

Li Teng-hui Criticizes U.S. 'Overtolerance'

OW0910011194 Taipei Voice of Free China in English 0200 GMT 8 Oct 94

[FBIS Transcribed Text] ROC [Republic of China] President Li Teng-hui attacked the U.S. Government's

Taiwan policy on Thursday [6 October]. He accused Washington of coddling Peking [Beijing] at the expense of the island's market economy.

Speaking at the BUSINESS WEEK's "Asian Chief Executives' Forum" in Taipei, Li said that last month's upgraded U.S.-Taiwan relations have not gone far enough. Li said that Taiwan has no intention of interfering in U.S.-Mainland Chinese relations, but Washington's deliberate oversight of Taiwan's burgeoning democratic system and market economy is due evidently to its overtolerance of the Communist Chinese. Li invited U.S. President Bill Clinton to come to Taiwan and help correct his government's policy. Li said Mr. President had visited Taipei four times before he became president. Li expressed hopes that Clinton would make a fifth visit here and that the little steps he takes today would lead to long flights tomorrow.

Official on U.S. Policy

OW1010140194 Taipei CNA in English 1317 GMT 10 Oct 94

[By Benjamin Yeh]

[FBIS Transcribed Text] Taipei, Oct. 10 (CNA)—B. Lynn Pascoe, director-general of the Taipei office of the American Institute in Taiwan (AIT), said Monday [10 October] that the Clinton Administration is gradually adjusting ties with Taiwan.

Pascoe, who made the remarks while attending a rally in celebration of the Republic of China [ROC]'s national day, stressed that the adjustment is being implemented "step by step."

The Clinton Administration announced a change in its Taiwan policy on Sept. 7, saying it would now permit high-level US economic and technical-agency officials to visit Taiwan.

Pascoe indicated that many people in both the U.S. Government's legislative and administrative branches are Taiwan sympathizers.

But Pascoe did not elaborate when asked how the Clinton Administration would respond to the U.S. House of Representatives' approval of an amendment to the Taiwan Relations Act.

The amendment, first introduced by Sen. Hank Brown (R-Colo.) and cosponsored by Sen. Paul Simon (D-Ill.), allows visits to the United States by the ROC president and other high-level officials.

The amendment, included as a provision of the Immigration and Nationality Technical Corrections Act of 1993, will be binding if the President decides to sign the bill into law. If he does not agree to the amendment, he will have to veto the whole bill.

The AIT was established in 1979 to represent American interests in Taiwan in the absence of official diplomatic links between Washington and Taipei.

Swaziland, Solomon Islands Support UN Bid

OW0810090194 Taipei CNA in English 0757 GMT 8 Oct 94

[By Ranan Huang, Sofia Wu]

[FBIS Transcribed Text] New York, Oct. 7 (CNA)—The Republic of China [ROC]’s bid to join the United Nations received further support Friday as two more foreign political leaders urged the UN to seriously consider the issue in their speeches to a general debate session of the 49th UN General Assembly.

Swazi Prime Minister Dlamini Mbilini cited the recent return of South Africa to the UN to push the world organization to apply the same “universal membership principle” to the ROC’s UN bid.

In addition to realizing membership universality, Mbilini said, the UN itself will also benefit from the ROC’s participation.

Noting that many UN members in Africa, Asia and Latin America, including his homeland Swaziland, have benefited from Taiwan’s generous economic aid, Mbilini said it is regretful that the UN continues to shut its door to a country that is very willing to contribute to [work indistinct] peace and prosperity.

Mbilini further called for world attention to the frustration felt by the 21 million people on Taiwan who have been shut out of the UN since 1971. “We should not continue turning a deaf ear to their call for fair treatment and should seriously consider their wish to join this organization,” the Swazi prime minister said, urging the UN to set up a special committee to study issues related to the ROC’s UN accession as soon as possible.

Solomon Islands Deputy Prime Minister and Foreign Affairs Minister Francis Saemala echoed Mbilini’s call, saying only when the ROC on Taiwan is readmitted to the UN can the spirit of the UN charter and the true value of democracy be manifested and further glorified.

Saemala said he believes that the ROC has tremendous capability to contribute to the UN and its affiliate international cooperation organizations.

Stressing it is very unreasonable for the ROC to be shut out of the UN, Saemala said his government believes that Taiwan’s UN entry will not hinder China’s eventual reunification. “Instead, it will serve as a catalyst to rapprochement between the two sides of the Taiwan Strait,” he noted.

Before ending his address, Saemala further urged the UN secretary-general to use his influence to press for formation of a special task force to study ways for the ROC to be represented in the organization.

More than 10 other foreign political leaders, including the presidents of Costa Rica, Nicaragua, El Salvador and the Central African Republic, have also voiced their strong support for the ROC’s UN bid since the beginning of the current UN General Assembly session in late September.

Caribbean Nations Support Bid

OW1110090394 Taipei CNA in English 0809 GMT 11 Oct 94

[By Ranan Huang and Sofia Wu]

[FBIS Transcribed Text] New York, Oct. 10 (CNA)—Four more foreign political leaders spoke out in favor of the Republic of China [ROC]’s bid to join the United Nations Monday [10 October] at a general debate session of the 49th UN General Assembly.

Saint Vincent Foreign Affairs Minister Alpian Allen said his country believes that the time is ripe for the UN to consider the ROC’s membership bid based on the “principle of universal membership.”

Stressing that the UN should include the ROC’s membership bid in the agenda of its current General Assembly session, Allen said he believes such a proposal would receive support from most UN members.

“If the UN continues to reject the legitimate desire of the 21 million people on Taiwan to join the organization, how can it say it professes the principle of universal membership in the future,” Allen asked.

Bahamas Deputy Prime Minister and Foreign Affairs Minister Orville A. Turnquest echoed Allen’s call, saying the UN should set up an ad hoc committee to study why it has shut its door to the ROC.

“I believe it is unjustified to deny UN access to a country which is willing to contribute to this organization,” Turnquest said.

Saint Christopher and Nevis Prime Minister Kennedy Simmonds said the UN should admit as many countries as possible if it really wants to promote international justice.

Noting that the ROC has dedicated itself to promoting democracy, human rights, development and world peace, and has generously helped other countries develop their economies over past years, Simmonds said he believes the ROC will contribute much to the UN cause after it is admitted to the organization.

Prime Minister Mary Eugenia Charles of the Commonwealth of Dominica said she cannot understand why the ROC, which is a member of many international organizations, such as the Asian Development Bank and the Asia-Pacific Economic Cooperation Forum, has been shut out of the UN.

Charles said she believes the ROC’s UN entry will not hinder China’s reunification. “On the contrary, we

believe parallel representation in the UN will help boost the eventual reunification of a divided country," she added.

Nineteen countries, including Costa Rica, Nicaragua, El Salvador, Papua New Guinea, Central African Republic, Belgium and Jordan, have voiced explicit or veiled support for the ROC's UN bid since the beginning of the current UN General Assembly session in late September.

Four to five more countries are expected to speak out in favor of the ROC's UN bid before the UN session ends later this week.

Air Force on Alert Due to China Military Exercises

OW0810054394 Taipei Voice of Free China in English 0200 GMT 7 Oct 94

[FBIS Transcribed Text] ROC Air Force commander-in-chief General Tang Fei said the ROC Air Force is on alert over the military exercises having and being taken by the mainland. He said it is quite unusual to see so many military exercises taken in one year by the communists.

Tang said according to wire reports, the communists are giving another air and sea exercise, dubbed "(?SACRED-94)," off the Choushan [Zhoushan] Island near Che-chiang [Zhejiang] Province. This exercise is much larger in scale than another maneuver dubbed "Tunghai [Donghai] the 4th" taken last month near Fukien [Fujian] Province.

The communists have changed their traditional strategy of human wave and space superiority since the end of the Gulf War, and now they are making use of superiority in air and sea joint operations and electronic warfare.

Tang added: The economic development of the mainland in the past few years has earned it enough capital to expand its armed forces and weapon systems. Now, even though most countries in the world are experiencing a recession, military personnel have gained more power in the political arena in the mainland after the Tiananmen Square incident in 1989. He said that the ROC Air Force has studied the communist tactics and has been practicing ways to cope with their tactics and strategy.

MAC-SEF Talks in Nanjing Sought

OW0710112594 Taipei CNA in English 0818 GMT 7 Oct 94

[By Lilian Wu]

[FBIS Transcribed Text] Taipei, Oct. 7 (CNA)—The cabinet-level Mainland Affairs Council (MAC) and Straits Exchange Foundation (SEF) decided in principle Thursday [6 October] that the sixth working-level talks with Mainland China will be held in a city other than Beijing, with Nanjing the preferred spot.

In a coordination meeting, MAC and SEF officials suggested that the talks between the SEF and its mainland counterpart, the Association for Relations Across the Taiwan Strait (ARATS), be held in mid-November.

Because cross-Strait relations have dipped to a new low after recent hostile moves by Beijing, participants said that the talks should be held in a city other than the communist capital. They suggested that the talks be held in a city in southern Mainland China.

MAC officials said that the location will be announced after discussion with ARATS.

As SEF and ARATS have reached consensus on fishery disputes, repatriation of illegal immigrants and hijackers during the previous talks, the chances are high that the sixth round of talks may yield an initial agreement.

Taiwan Seeking Statehood, Independence

MS1110105994 London THE DAILY TELEGRAPH in English 11 Oct 94 p 21

[Report by Graham Hutchings, incorporating interview with Lien Chen, Taiwan premier; date not given: "Taiwan Fights For an Independent Chinese Identity"]

[FBIS Transcribed Text] Taipei—Taiwan is in flux, revealing a nature and identity long suppressed by foreign conquest and the island's strategic role in the now half-forgotten war against Asian communism.

The pace of change is staggering, as expected of an economy growing at six per cent, and generating more than 100 billion pounds of trade a year. Old certainties are dissolving as the economy liberalises and moves into high-technology manufacturing, the island's rough and tumble brand of politics spills on to the streets, and the Chinese family, that most conservative of institutions, yields to the pressures (and pleasures) of modern urban living.

A once tame press has become raucous and irreverent. Bookshops are full of critical indictments of government policy and former national leaders. Opposition parties spit venom at the Nationalist government and pour scorn on the sacred symbols of its rule.

It is not the kind of thing that Chiang Kai-shek, the wartime leader who moved his government to the island in 1949 after defeat at the hands of Chairman Mao, would have put up with. But Chiang's heirs and successors are men and women of a different stamp. As Taiwanese, most of them are unencumbered by the legacy of defeat on the mainland. As pragmatists they are uncomfortable with the zero sum game of trying to beat Beijing in endless wars of Chinese diplomatic recognition.

Consequently they have trimmed their jib. They are now arguing powerfully for international living space as a "part" of China: a part that the Communist Party has never ruled, will not be able to rule in future, and

therefore whose 20 million people Beijing cannot represent before the international community. Taiwan's envoys have placed their case—rational and just to many, but a dangerous unacceptable statement of independence to Beijing—before the United Nations, from which they were expelled in 1971.

As expected, it made little headway when the General Assembly opened its new session last month. But the government is determined that the fight should go on. It is determined, above all, that the island should convert its economic muscle into diplomatic clout.

"It's difficult, but it's a justified cause," said Premier Lien Chen in an interview with The Daily Telegraph. "If you have no other choice—between right and wrong—then you have to try your best. We believe... fairness will prevail."

It won't if China has anything to do with it. Beijing is furious that Taiwan has not buckled in the face of decades of pressure, threats and merciless exclusion from international forums.

China Blocks Taipei's Efforts To Enter OECD

OW1110140394 Taipei CNA in English 1326 GMT 11 Oct 94

[By Bear Li]

[FBIS Transcribed Text] Taipei, Oct. 11 (CNA)—Taiwan's bid to become a full member of the Paris-based Organization for Economic Cooperation and Development has been torpedoed by Beijing, a ranking official with the Board of Foreign trade said Tuesday [11 October].

He said Taiwan's recent application for membership prompted the Mainland Chinese Embassy in Paris to lodge a protest with the OECD Secretariat, resulting in the OECD's rejecting Taiwan's bid, saying the time was "not yet ripe." Taiwan is currently a dialogue partner of the organization, while Mainland China only recently applied to be granted the same status.

As a result, the official said, Taiwan is likely be forced to adopt the "GATT formula"—Beijing gaining admission to the General Agreement on Tariffs and Trade ahead of Taiwan—in its OECD bid.

Taiwan was among the first group of countries—including South Korea, Singapore, Hong Kong, Thailand, and Malaysia—that became dialogue partners in the trade organization, better known as "the rich men's club."

Of the five "senior" OECD dialogue partners, South Korea will be the first to be granted membership in 1996, followed by Singapore, the official, who asked not to be named, said.

The OECD will hold its vice-ministerial meeting with its dialogue partners in Tokyo next Tuesday. Taiwan is to

be represented by Vice Economic Affairs Minister Sheu Ke-sheng during the meeting, the highest-level contact ever between the OECD and Taiwan.

Sheu Ke-sheng To Represent Taipei at OECD Talks

OW1010140094 Taipei CNA in English 1321 GMT 10 Oct 94

[By Y.C. Tsai]

[FBIS Transcribed Text] Taipei, Oct. 10 (CNA)—Vice Economic Affairs Minister Sheu Ke-sheng will represent Taiwan at the vice ministerial-level dialogue meeting with the Organization for Economic Cooperation and Development (OECD) to be held in Tokyo on Oct. 18.

Officials at the Board of Foreign Trade said Monday [10 October] that Taiwan is among nine nonmember economies invited to the unofficial meeting with the Paris-based trade organization, with the other eight being South Korea, Hong Kong, Singapore, Malaysia, Thailand, Chile, Argentina and Brazil.

The meeting marks the highest level of such talks between the OECD and these nonmember economies, the officials noted, adding that Taiwan has joined in more than 30 such dialogue meetings since January 1989.

Topics to be discussed at the Tokyo meeting will include the privatization process, tax systems, shipping policies, trade ties, the labor market, and trade competition, they pointed out.

In a bid to seek closer ties with the OECD, the government established an Executive Yuan task force on Taiwan's relationship with the organization in April last year, they said.

Known as "the rich men's club," the OECD now has a membership of 25, with Mexico the latest entry. South Korea is expected to join in 1996.

Premier Views Participation in APEC

BK1010070894 Bangkok BANGKOK POST in English 10 Oct 94 p 2

[FBIS Transcribed Text] Taiwanese Prime Minister Lien Chan has implied that his country should not be omitted from the APEC summit in Jakarta next month.

"For the sake of common interests all responsible leaders should be invited to the November summit, otherwise the organisation's basic principles and spirit will be compromised," said the premier to a group of senior journalists from Thailand on Saturday.

He cautioned that compromise of basic principles and spirit would affect the unity and cooperation among member countries and regional economic development.

Since acceding to APEC forum in November 1991, he said, Taiwan has actively participated in its meetings and activities. And by the end of last June, Taiwan had attended 116 different gatherings sponsored by the organisation.

He called on APEC to foster community awareness among its 17-member countries if it's to become a leading organisation for economic cooperation in the Asia-Pacific region.

"This means to make economic growth a common goal and to base cooperation and exchange on mutual understanding, said Mr Chan. The prime minister said all the APEC members should place their common interest above their ideological or political viewpoints.

APEC countries, he added, should recognise Taiwan's ability and desire to participate in the international forums and to make contributions to the world.

He insisted that Taiwan firmly believes that prosperity of the Asia-Pacific region depends on regional peace and economic integration and his government hopes to promote cooperation and exchanges among member countries through sincere negotiations.

In its quest for peace and prosperity, he said, Taiwan will never stay away from the world arena.

SEC Chairman Urges Allowing More Foreign Investment

OW1110085494 Taipei CNA in English 0740 GMT 11 Oct 94

[By Y.C. Tsai]

[FBIS Transcribed Text] Taipei, Oct. 11 (CNA)—A boost in the stock market share of foreign institutional investors will be good for trading on Taiwan's bourse, Securities and Exchange Commission (SEC) Chairman Linlin Day said Tuesday [11 October].

In a bid to push for the long-term development of the Taiwan stock exchange, Day pointed out, more foreign capital should be allowed in.

"It is okay for overseas investors to have a 10 percent share in the market value, or to allow foreign stock investment up to US\$30 billion," he said.

Currently, the ceiling on foreign stock investment is US\$7.5 billion.

Day made the remarks after the stock market was shaken by a payment-default scandal triggered by the insolvency crisis of two domestic securities firms linked with the Hualon Group.

The scandal caused the bourse's key barometer, the weighted index, to shed a total of 965 points in four consecutive trading days last week.

Noting that stock investors should learn to buy shares in a cautious manner and not follow market manipulators, Day said that the best way to stabilize trading is to introduce more foreign money to expand the market rather than to suspend trading.

With its foreign exchange reserves topping U\$90 billion and its net capital outflow reaching more than US\$30 billion, Taiwan is well qualified to let more foreign institutional investors in, he elaborated.

The Central Bank of China (CBC), however, holds a different view.

CBC officials said that while Taiwan's outbound investments totaled about US\$36.8 billion between 1989 and 1993, its current account maintained a favorable balance of nearly US\$50 billion, resulting in a surplus of more than US\$10 billion in Taiwan's balance of international payments.

If foreign investors are allowed to invest up to US\$30 billion in the domestic stock market as Day suggested, the inbound remittance of such a large amount will immediately push up the new Taiwan dollar's value, the officials pointed out.

Then, they said, the strong NT [new Taiwan] dollar will make Taiwan products more expensive and less competitive on the international market, thereby causing a strong negative impact on Taiwan's export-oriented economy.

In opening the domestic financial market, the Central Bank should take into account its influence on not only the stock market but also the foreign exchange market, they stressed.

UK Said Best Springboard for Investors in Europe

OW0710113294 Taipei CNA in English 0814 GMT 7 Oct 94

[By Danielle Yang]

[FBIS Transcribed Text] Oct. 7 (CNA)—Visiting British Trade and Industry Minister Charles Wardle said Britain is the best springboard for Taiwan investors in Europe since most Taiwan-invested firms are located there.

Speaking during a seminar on investment and business operations Friday [7 October], Wardle said Britain's economy is strong and his government is actively helping foreign investors conduct business in Europe.

Wardle stressed that advanced research and development as well as designing industries should be tapped by Taiwan investors.

He added that Britain's economy is strong and boasts a decreasing inflation rate and rising gross national product.

With rising manufacturing production and a falling unemployment rate, Britain is looking forward to posting the highest economic growth in the European Union (EU), Wardle noted.

He said Britain enjoys a harmonious labor-management relationship with the lowest business tax in the EU as well as the seven large industrialized nations. The advantages make the UK an ideal investment location, he said.

Japan's investment in Britain accounted for one-third of its total investment in the EU, Wardle said, urging Taiwan investors to take advantage of the opportunity to explore the UK's 340 million consumer market.

Wardle also said Britain attaches great importance to its trade with Taiwan and encourages joint ventures between the two countries to explore the Mainland Chinese and Southeast Asian markets.

Britain will hold a trade fair in Taiwan next March, hoping to establish closer commercial ties with the island, he said.

Wardle further said that his government fully understood Taiwan's plan to become an [words indistinct] specialists can contribute to the plan.

Meanwhile, Wardle urged Taiwan to accelerate its market liberalization plan and eliminate unnecessary rules and regulations to remove trade and investment barriers.

Wardle arrived in Taipei Thursday. The investment seminar was jointly sponsored by the British Trade and Cultural Office, the Republic of China General Chamber of Commerce and the Chinese National Federation of Industries.

Export Performance in 1994 Temed 'Lackluster'

OW1010085594 Taipei CNA in English 0805 GMT 10 Oct 94

[By Danielle Yang]

[FBIS Transcribed Text] Taipei, Oct. 10 (CNA)—Taiwan's export performance has been lackluster this year, lagging far behind its Asian neighbors, the Council for Economic Planning and Development (CEPD) reported Monday [10 October].

Taiwan's export growth of 3.5 percent in the first half of 1994 was far behind its neighbors, and only higher than the 2.3 percent export growth registered by Indonesia, the report noted.

Among the ten major Asian economies, Mainland China's export growth of 30.2 percent topped the list, followed by Malaysia's 22 percent and the Philippines' 19.7 percent.

Exports by Japan, South Korea, Thailand, Singapore and Hong Kong all performed better than Taiwan, the report said.

During the 1991-1993 period, Taiwan's export growth was stronger than Japan and Hong Kong but also far behind other Asian countries, according to the report.

In addition, Taiwan's import growth of 6.3 percent during the January-June period was at the bottom of the ten large Asian economies, the report said.

CEPD officials attributed the lackluster performance of both Taiwan's exports and imports to the high manufacturing labor cost, relocation of labor-intensive industries and a drastic increase in foreign investment.

In 1993, the manufacturing labor cost in Taiwan topped the "four Asian dragons" of Taiwan, Hong Kong, Singapore and South Korea since traditional labor-intensive industries have relocated to Mainland China and Southeast Asian countries.

In contrast, overseas Taiwan manufacturers enjoyed an export boom during the period, owing to the increasing orders they received for their investment in foreign countries.

Meanwhile, heavy industry and chemical products have replaced labor-intensive products to become one of Taiwan's main exports, the report said. Exports of heavy industry and chemical products accounted for 53.5 percent of Taiwan's total exports during the first half of this year, up from the 51.9 percent in 1993.

However, the share was still behind the 88.3 percent of Japan and 67.2 percent of South Korea, indicating that Taiwan has to further upgrade its industrial structure.

Trade Gap With Japan 'May Decline' This Year

OW1010085594 Taipei CNA in English 0712 GMT 8 Oct 94

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, Oct. 8 (CNA)—Taiwan's trade deficit with Japan may decline this year, ending nine years of continuous growth, the Council for Economic Planning and Development (CEPD) said Saturday [8 October].

Thanks to strenuous promotional efforts by local machinery, electronics and information product manufacturers, CEPD officials said, Taiwan exports to Japan have picked up steam since the beginning of the third quarter of this year.

Japan-bound shipments surged 23.1 percent in July as compared with the year-earlier level and rose a further 8.4 percent in August. The annual export growth rate even hit 32.9 percent in September, the highest since July 1991, the officials noted.

On average, Taiwan exports to Japan grew 21.5 percent in the third quarter, the highest quarterly growth rate since 1989.

With accumulated exports to Japan outgrowing imports from that country, Taiwan's trade deficit with Japan consistently registered negative growth between July and September.

As a result, the officials said, the annual growth rate of Taiwan's trade imbalance with Japan had shrunk to 1.3 percent by the end of the third quarter, down from an average 5.6 percent growth recorded in the first half of the year.

Judging from export performance in the first week of October, the officials said, Taiwan will see a rare "zero" growth in its trade deficit with Japan by the end of the month.

The officials noted that the sharp appreciation of the Japanese yen, coupled with Japan's increasing domestic demand resulting from its steady economic recovery, has helped fuel Taiwan's booming exports to Japan in recent months.

As export orders received by local manufacturers from Japan have seen double-digit growth over the past three months, the officials said, the current export boom will continue in the fourth quarter of the year.

Therefore, the officials predicted that Taiwan's accumulated trade imbalance with Japan for 1994 will fall below last year's record U.S.\$14.22 billion.

Taiwan has long incurred huge trade deficits with Japan because of its heavy reliance on Japanese supplies of key components and parts, machinery and other production equipment.

After years of technology-upgrading efforts, Taiwan now manages to export technology-intensive products to Japan. Its sales of electronics, machinery and information products to Japan all chalked up a more than 18 percent gain in the third quarter of the year, the officials noted.

Taipei To Follow Japanese Example in Rice Imports

OW0910084394 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 3 Oct 94

[From the "Hookup" program]

[FBIS Translated Text] A high-ranking official of the Executive Yuan's Council of Agriculture [COA] said: Our country will follow Japan's example in importing rice. During the first year of its admission to GATT, our country will import 4 percent of domestic consumption, and will increase the proportion each year until the figure reaches 8 percent during the sixth year. With a current annual rice consumption of 1.6 million tonnes, our country will import 64,000 tonnes of rice next year if it joins GATT by year's end according to plan.

COA Chairman Sun Ming-hsien yesterday reassured farmers that the government would take proper measures to steer agricultural transformation toward success by providing assistance and guidance to farmers in growing high-quality domestic rice, against which foreign strains can hardly compete. To help farmers avert losses, the current purchase price of 21 New Taiwan dollars per kg will remain unchanged during the first three years of the country's admission to GATT.

Our country has just completed the first round of negotiations in Geneva regarding its admission to GATT. Upon returning to Taiwan yesterday, Chen Wu-hsiung, director of the COA Economics and Planning Department, noted: On the question of rice imports, other countries held negotiations with our country on the basis of the Japanese model, leaving us with little room for maneuver. Mindful that our country's agricultural sector would bear the brunt of rice imports, the government did not promise to accept the Japanese model and was hopeful that it could defer making such a promise until the negotiations on our country's admission to GATT reached the final stages. Chen Wu-hsiung said: During the negotiations, we noted emphatically that our country's economic development level is somewhere between the developed nations and developing countries, and expressed the hope that we would be allowed to import rice through a combination of the Japanese and South Korean models. Other countries, however, insisted that our country adopt a model befitting the developed countries because it had applied for admission to GATT as a developed nation.

Textile Exports Increase in First Eight Months

OW1110085694 Taipei CNA in English 0730 GMT 11 Oct 94

[By Danielle Yang]

[FBIS Transcribed Text] Taipei, Oct. 11 (CNA)—Taiwan's textile and garment exports reached US\$9 billion during the first eight months of this year, up 12 percent from the same period of last year, statistics released by the Taiwan Textile Federation showed Tuesday [11 October].

Textile and garment imports during the period topped US\$2 billion, a growth of 14 percent from the first eight months of 1993, the statistics showed.

Cloth exports totaled US\$5 billion, up 25 percent and accounting for 57 percent of total textile exports. Fiber and yarn exports also registered more than 10 percent growth each, the statistics showed.

Cloth imports only grew 2 percent and accounted for 31 percent of total textile imports. But garment imports and costume accessory imports increased 44 percent and 18 percent respectively, the statistics showed.

Economy Shows 'Encouraging' Growth in Sep

OW0710113194 Taipei CNA in English 0839 GMT 7 Oct 94

[By Debbie Kuo]

[FBIS Transcribed Text] Taipei, Oct. 7 (CNA)—For the first time in five years, Taiwan's economy is likely to flash an encouraging "yellow-red" light on a government scaling system, the Council for Economic Planning and Development (CEPD) said Friday.

According to preliminary tallies, the CEPD said, September's overall economic performance may receive a score of 31 points on the scale, marking the highest growth since July 1989.

The CEPD attributed the brisk economic performance to upturns in exports and industrial output in September as well as sustained growth in the financial sector, which included a booming stock market and stable money supply.

The CEPD scaling system measures the country's economic performance based on nine major indicators: export value, stock prices, check default rate, export orders, money supply, industrial production index, bank lending, factory inventories and non-farm employment rate.

The Economic Planning Agency uses a five-color rating system to demonstrate the country's economic prospects. A "red" light means the economy is overheated. "Yellow-red" signals brisk economic growth. "Green" indicates steady growth. "Yellow-blue" shows economic slowdown while "blue" means recession.

With the score, Taiwan's economy flashed an enviable "yellow-red" light in September, compared with those in the preceding nine straight months which showed a healthy "green" light.

In September, the export order indicator leaped from "green" to "red," industrial output jumped from "yellow-blue" to "green" and stock prices continued to flash a "red" light for the sixth consecutive month.

The narrowly-defined [words indistinct] flashed a "yellow-red" light, while bank lending, the non-farm employment rate and check default rate maintained a safe "green" light.

New Cellular Telephone System To Be Installed

OW1110092094 Taipei Voice of Free China in English
0200 GMT 7 Oct 94

[FBIS Transcribed Text] The Directorate General of Telecommunications, or DGT, will proceed with the installation of a new cellular telephone system despite claims by opposition political hopefuls that the winning bid is unproven and unsuitable to Taiwan.

The DGT hopes to provide subscribers with 200,000 new cellular numbers by next June so its new global system for mobile communications, GSM, will work.

The DGT has rejected claims that the Canadian firm Northern Telecom's winning package utilizing the GSM system is likely to cause problems.

A DGT spokesman said vigorous testing by the directorate ensured the system would come on line smoothly and on schedule.

Hong Kong

PRC Spokesman Criticizes UK on Taiwan Fete

OW1010105194 Beijing XINHUA Domestic Service in Chinese 0852 GMT 10 Oct 94

[FBIS Translated Text] Beijing, 10 Oct (XINHUA)—Chen Jian, spokesman for the Ministry of Foreign Affairs, issued a statement here today in connection with the permission the British authorities in Hong Kong gave to Taiwan-controlled organizations [tai wan shi li 0669 3494 0528 0500] to use an official venue under the Hong Kong Government's control to hold activities. The statement reads:

In disregard of the Chinese Government's solemn and just representations on many occasions, the British Government has insisted on allowing Taiwan-controlled organizations to hold "celebrations of the bogus regime" [wei qing 0298 1987] at an official venue under the control of the British Government in Hong Kong. This has clearly violated the pledge the British side made during the establishment of the two countries' diplomatic relations, and it has run counter to the desire it has time and again indicated for improving Sino-British relations. We are indignant about this move. There is but one China in the world, namely the People's Republic of China. Taiwan is an inalienable part of China. The PRC Government is firmly opposed to any activities aiming to divide China and create "one China, one Taiwan," or "two Chinas." On this issue, our stand of upholding the principle and safeguarding sovereignty is firm. The British side's aforementioned act has once again proved that the British side's deeds do not match its words, and that it lacks sincerity in improving Sino-British relations. This move not only has gravely hurt the Chinese people's feelings, but also has added new difficulties to Sino-British relations. We demand that the British side earnestly honor its pledge, otherwise the British side should bear the serious consequences arising therefrom.

Official Criticizes Decision

HK1010083694 Hong Kong WEN WEI PO in Chinese 8 Oct 94 p A12

[Report: "Zhang Junsheng Points Out That the Hong Kong Government's Approval of 'Double Ten' Activities Is a Political Issue"]

[FBIS Translated Text] Yesterday, Zhang Junsheng, deputy director of the XINHUA Hong Kong Branch, said that the Hong Kong Government's approval of the "Double Ten" [10 October] activities organized by the Taiwan institution concerned in the Cultural Center is a serious political issue rather than a legal one. He pointed out that the attorney general of the Hong Kong Government justified the erroneous political decision of the government by citing Hong Kong's laws, and this only serves to demonstrate that the government has gone farther along the erroneous course.

When attending the opening ceremony of the Second Chinese Art Festival yesterday evening, Zhang Junsheng responded to the attorney general's statement on the issue and Chris Patten's remarks defending the decision. Zhang pointed out that this is a political issue rather than a legal one.

Zhang Junsheng asked everybody to consider this question: "Is this simply an issue of some ordinary recreational performances? The Urban Council has said that the rent application was handled as an application for recreational performances. If that was the case, why did the Urban Council have to ask for instructions from the Security Branch? And why did the Security Branch have to consult the political adviser's office? Is it necessary for all recreational performance applications to go through such formalities? Obviously not. The Hong Kong Government was clearly aware of the political nature of the event."

Zhang Junsheng then pointed out: "This is not an ordinary recreational performance, and this is not an issue of renting a performance facility to an institution. Instead, this is obviously a serious political issue, not a local legal issue. Chris Patten is trying by all possible means to shirk responsibility, and he even made the attorney general defend the decision, but it was just a futile attempt to consider the event an ordinary legal issue."

Zhang Junsheng also pointed out: The governor's practice of using Hong Kong law to defend his wrong political decision has also damaged Hong Kong's reputation as a community ruled by law, and this just showed that Patten was travelling further along the erroneous course.

A reporter mentioned that the governor said China and Britain should not continue to argue about past disagreements and should seriously look to the future, when he was asked to explain the Hong Kong Government's approval of the "Double Ten" activities of the Taiwan institution concerned in the Cultural Center. In response to this, Zhang Junsheng said: The governor should himself correct the wrong political decision he made. Zhang then asked: "Being governor of Hong Kong, could he be unaware that the event was related to an issue of 'two Chinas' and that the British Government promised to recognize only one China? How could this be an issue of looking to the future?"

In addition, Wang Zhenyu, director of the Taiwan Affairs Department of the XINHUA Hong Kong Branch, also pointed out on the same occasion that the Hong Kong Government's legal explanation for the event was nothing more than an excuse. He stressed that the event was absolutely a political issue. He said that when China and Britain decided to exchange ambassadors, their joint communique made it clear that the British Government only recognizes one China and recognizes that the PRC is the sole legal government of China. Wang Zhenyu said that the current practices of

the British Hong Kong authorities has completely violated the British Government's diplomatic commitment and constitutes a serious political issue.

PRC Official Dismisses Patten Policy Address

*HK0910080194 Hong Kong WEN WEI PO in Chinese
9 Oct 94 p A10*

[By staff reporter Li Hsiao-ping (2621 4562 0393): "Beijing Official Is Disappointed at Patten's Policy Address for Page After Page of Empty Verbiage in It"]

[FBIS Translated Text] Beijing, 8 Oct (WEN WEI PO)—A Chinese official criticized Patten's policy address here today, saying it is void of substantive content and lacks specific measures for cooperation, from which people cannot see any British sincerity to cooperate with China. He pointed out that if the British side wishes to cooperate with the Chinese side, it should take concrete actions and, first of all, it should change its attitude toward the Preliminary Working Committee [PWC] for the Preparatory Committee of the Hong Kong Special Administrative Region.

The official said: People are greatly disappointed at Patten's policy address. Earlier, Britain repeatedly claimed that it would sincerely cooperate with China during the remaining 1,000 days in order to guarantee a smooth transition in Hong Kong. In his policy address, however, Patten again indulged in well-worn and empty talk, repeating all that he had said before without any new ideas and concrete measures. Therefore, even though Patten struck the table and yelled that China should make a positive response to his policy address, the Chinese side can do nothing for that.

The official pointed out: If the British side has sincerity in cooperation with China, it should make concrete actions. For instance, its attitude toward the PWC is one of such concrete actions. He said: The current policy by the British Hong Kong authorities toward the PWC is a great retrogression rather than progress. Although Patten said in his policy address that he would not object to civil servants having contacts with the PWC, the letter issued by Anson Chan shortly afterward, in fact, restricted the contacts between civil servants and the PWC, so that the previous practice of allowing civil service organizations to contact the PWC will no longer exist. He continued: The British Hong Kong authorities said that they would fully cooperate with the Preparatory Committee which will be set up in 1996 and it is unreasonable to say that they cannot cooperate with the PWC, which is an official working body founded according to a decision by the Standing Committee of the National People's Congress. Therefore, it is illogical to say the PWC is only an unofficial consultative organ and refuse to cooperate with it.

The official pointed out that the British side said that the PWC lacked credibility and, on the other hand, they feared that civil servants would have contact with it.

This is contradictory. He said: The PWC is making preparations for the Preparatory Committee and is studying various issues during the transition period. Hence, it should collect materials from various quarters and become acquainted with the general situation, including the Hong Kong Government's policies and attitudes. Take the airport issue as an example. The PWC Economic Subgroup is also studying this issue. It is absolutely possible for the Hong Kong Government to send a civil servant to the PWC to clarify its position and explain the crucial reasons for failing to reach an agreement. However, the Hong Kong Government dared not act this way, fearing that its civil servant would be influenced by the PWC. This precisely shows its guilty conscience. According to the said official, if the Hong Kong Government wants to cooperate with the Chinese side, it should, without doubt, allow civil servants to have contacts with the PWC. He also refuted the Hong Kong Government's statement that members of the PWC can make suggestions in the capacity of specialists. He said: Whether or not the expert meetings of the Sino-British Joint Liaison Group will include members of the PWC is entirely the Chinese side's own affair and has nothing to do with the British side.

Touching on the issue of the new airport, the official reiterated that an agreement on overall financial arrangement should be reached before discussing the other two supporting agreements on the Airport Authority and the airport railway. He said the Chinese side would strive to reach an agreement on overall financial arrangements before the end of this year.

As to the Hong Kong Government's suggestion that the overall arrangements and two support agreements be handled separately, the official hoped that the agreement on overall financial arrangements should be reached as soon as possible to lay a foundation for the two supporting agreements which, he said, have actually no major problems of principle, merely some technical ones. However, as they involve detailed data, it will take a lot of time to discuss them item by item. That is why it will be much easier to resolve the two supporting agreements if an agreement on the overall financial arrangements, which is comparatively simpler, can be reached first at an early date. He said that some specific problems in the financial arrangement have yet to be settled but he believed that they can be settled. The Chinese side will work hard to reach an agreement on this issue before the end of this year. He once again hoped that the new airport will be completed before 1997 so that the outgoing Patten will be able to take off from Lantau Island to return to London.

PWC Views Formation of Legislature, Patten Speech

OW0810045694 Beijing XINHUA Domestic Service in Chinese 1411 GMT 7 Oct 94

[FBIS Translated Text] Beijing, 7 Oct (XINHUA)—The two-day 11th meeting of the political affairs panel of the

Preliminary Working Committee [PWC] of the Preparatory Committee for the Hong Kong Special Administrative Region [SAR] closed in Beijing today. The meeting mainly discussed the formation of the future Hong Kong SAR legislature, and the recent policy address delivered by Hong Kong Governor Chris Patten.

PWC members attending the meeting maintained that the British Hong Kong Government's implementation of the "three-violation" constitutional reform package had disrupted the "through-train" arrangements for the transfer of Hong Kong's political power. To ensure Hong Kong's smooth transition and smooth transfer of political power, they suggested that various plans for the formation of the future Hong Kong SAR legislature be considered, including the establishment of an interim legislative council.

Regarding the specific methods for forming the Hong Kong SAR's first Legislative Council, the political affairs panel decided to create an election research group that would study primarily the questions of direct elections by geographical constituencies, elections by functional constituencies, and elections by the election committee.

In discussing Hong Kong Governor Chris Patten's recent third policy address, the participants considered the address to be fundamentally lacking in originality. They pointed out: Patten asserted the need for strengthening Sino-British cooperation. However, no changes in the British Hong Kong Government's policy toward Hong Kong or sincerity about cooperating with the Chinese side can be detected in his address. The PWC members maintained that the British Hong Kong Government should take concrete actions to cooperate with the Chinese side and should not act differently from what it had said.

Editorial Advocates Interim Legislature Proposal

HK0910064494 Hong Kong TA KUNG PAO in Chinese
9 Oct 94 p 2

[Editorial: "Patten Takes Lead in Bombarding Preliminary Working Committee"]

[FBIS Translated Text] Regarding the attitude taken toward the Preliminary Working Committee [PWC], it has been proved that the cooperation with China mentioned by Patten in his policy address is but a lie.

The PWC is a working committee established under the National People's Congress [NPC] Standing Committee, China's highest organ of power, to make preparations for the Hong Kong Special Administrative Region [SAR]. Hence, its authoritarianism is obvious. The attitude taken toward the PWC has always been the touchstone testing whether Patten has the sincerity in cooperating with the Chinese side.

Not long after the establishment of the PWC, Patten attacked it, saying that it lacked "credibility." Later, he restricted Hong Kong public servants from having any

contacts with the PWC. In his third policy address, Patten asserted that he "had not banned contacts between government officials and PWC members" but, on the other hand, he also said that the PWC was a "consultative organ," "which has not been established under the Joint Declaration or the Basic Law," "hence it is inappropriate for public servants to attend official meetings of the PWC and its subcommittees." On the second day, the chief secretary of the British Hong Kong authorities, on Patten's order, issued an instruction restricting contacts between public servants and PWC members. Apart from organizationally restricting the contacts between public servants and the PWC, the speeches by public servants during contacts with the PWC "must not violate the government's policy stand." Moreover, a limit has also been set on the materials offered. Such a retrogressive act which places obstacle to contacts between public servants and the PWC violates the will of the public servants and has evoked their strong discontent.

It is noteworthy that Patten launched the first offensive against the PWC by saying that "the PWC is not an organ established under the Joint Declaration or the Basic Law." Elated by Patten's first bombardment, the fighters of the "Democratic Party" and Martin Lee, who threatened to ban the PWC, immediately responded, resulting in the absurd argument that the PWC "constitutes a violation of the Joint Declaration and the Basic Law."

In recent days, members of the PWC panel groups have left for Beijing in turn to study some urgent issues. After discussions, the Political Affairs Group proposed a preliminary idea of establishing a provisional legislature: The sixty members of the provisional legislature will be elected by the end of 1996 or early 1997 and their term of office will not exceed 12 months. In light of the relevant stipulations of the Basic Law on the legislative organ, the provisional legislature will exercise the power of the legislature and focus attention on drafting and adopting laws for establishing the organ of political power.

After careful consideration and a comparison of various plans, the Political Affairs Group has proposed the establishment of a provisional legislature, which conforms to Hong Kong's reality and the principle of the Basic Law and which is conducive to Hong Kong's smooth transition and the effective operation of the future SAR Government. For this reason, it will win understanding and support from the Hong Kong people.

Naturally, some people will be unhappy and will also curse it. Patten will be unhappy because he has always tried to force the legislature established in 1995 according to his will to pass through 1997. In his third policy address he said that "the Legislative Council elected in September 1995 should serve till 1999." The detailed proposals presented by the Political Affairs

Group today on establishing a provisional legislature has undoubtedly shattered Patten's dream. How, then, can he be happy?

The fighters of the "Democratic Party," who served as Patten's pawns, attacked the proposals by the Political Affairs Group, saying that it "violated the Joint Declaration and the Basic Law." This is ridiculous. First, the provisional legislature will be established to resolve appropriately the legal problem of convergence because Patten stubbornly pursued his political reform package which contravened the Sino-British Joint Declaration, the Basic Law, and the understanding and agreements reached between the two countries, dismantled the "through train," and created difficulties for Hong Kong's smooth transition. This embodies implementation of the Joint Declaration which ensures Hong Kong's smooth transition. Second, the provisions of the Basic Law governing the establishment of the first legislature are all followed in the composition of the provisional legislature which includes the number, proportion of foreign nationals, qualifications, and limits of authority of its members. Third, the setting up of a provisional legislature can promptly handle any urgent legal problems before the establishment of the first legislature, prevent the occurrence of a legal vacuum in SAR Government operations, and also make full preparations for the establishment of the first legislature to ensure implementation of the Basic Law and relevant stipulations of the NPC Standing Committee to the letter.

Those who fiercely attacked the PWC proposal, saying that it has "violated the Basic Law" are the ones who have tried their utmost to throw mud at the Basic Law. They have not ceased to curse the Basic Law from the date of its promulgation. They even burned copies of the Basic Law and have demanded that the "Basic Law be amended." They have the following two motives in attacking the PWC proposal on establishing a provisional legislature: First, they want to use the Legislative Council set up by Patten to replace the future SAR legislature; and second, they are taking this as an excuse to advocate amendment of the Basic Law.

Patten or the fighters of the "Democratic Party" cannot hinder the pace of the PWC or shake their determination in implementing the resolution of the NPC Standing Committee on reorganizing Hong Kong's three-tier councils.

Wan Li: S.Y. Chung 'Qualified' To Be SAR Chief

*HK1010070294 Hong Kong CHING PAO in Chinese
No 10, 5 Oct 94 p 56*

[By Chen Wei-ming (7115 1792 0682): "Wan Li on Qualified Personnel for Administering Hong Kong"]

[FBIS Translated Text]

It Is Inevitable That Britain Will Get Up to Little Tricks

Beijing sources said that, at an internal meeting during the first 10 days of August, Wan Li, former chairman of

the NPC Standing Committee, talked about the work relating to Hong Kong in the transitional period. He said: As Britain refuses to cooperate with us on the issue of Hong Kong's political structure, we must rely on the vast numbers of patriotic compatriots there as well as the Basic Law in order to ensure a smooth transition and Hong Kong's future development. In the latter part of the transitional period, the British may get up to little tricks or even instigate some pro-British and extreme rightist forces to make trouble and create disturbances soon after the government of the special administrative region is established. The Sino-British Joint Declaration on the Hong Kong issue was signed nearly 10 years ago. At that time, Deng Xiaoping pointed out that Britain will not resign itself to the conclusion of its colonial rule. The last few years of the transitional period will be a key period. We hope that Britain will implement the Sino-British Joint Declaration and make less trouble before concluding their period of colonial rule. But I think that is impossible. Britain is getting up to little tricks on political issues under all sorts of pretexts, in an effort to confound us. In economic affairs, it is trying to disrupt Hong Kong's economy and seize the current opportunity to reap some more profits. We must be well prepared for all this. In the past, Britain also created quite a few political incidents against China, such as provoking disputes on the Sino-Indian border and instigating Tibetan independence.

Wan Li continued: In fact, we have been on the alert against Britain to a certain extent since 1985 and have been well prepared in a comprehensive way since 1991. These preparations include measures for changing the time and method for taking back Hong Kong if necessary. Facts have shown that all this timely effort has been worthwhile. Because we have taken these measures, we have not been caught in a passive position now that Britain is trying to go against us. The Hong Kong and Macao Affairs Office, the XINHUA Hong Kong Branch, and the Ministry of Foreign Affairs have all made contributions to this. They have been doing very well.

The Chief Executive Should Be Patriotic

Wan Li went on: Some Hong Kong people have written to us to show their concerns about the future chief executive of Hong Kong and the leading body of the special region's government. Articles 43, 44, and 45 of the Basic Law contain principled stipulations regarding the method of electing the chief executive. In the end, the chief executive will be appointed by the Central Government, which will make its decision based on his or her wisdom and political credentials. Political credentials means, at a minimum, the nominee's attitude toward the Sino-British Joint Declaration and the Basic Law. Of course, anyone who is opposed to the Chinese Government, to China's resumption of sovereignty over Hong Kong, or to the Basic Law cannot be the chief executive. If Britain tries to meddle in the special region's personnel affairs, all it will prove is that it has overrated its own abilities. Just think, how could the British prime

minister appoint someone who is opposed to the British Government and the British Constitution to a post in his government? In the West, it is rare for an opposition party member to be appointed to an important post.

Wan Li also pointed out: There are quite a few qualified administrative and professional personnel in Hong Kong. Deng Xiaoping pointed out long ago that Hong Kong's chief executive should, above all, be a patriot. In other words, he should be a person who loves the motherland and Hong Kong. At the same time, he should be capable of exercising administrative management, be broad-minded, and be good at maintaining a balance between various social strata regarding their benefits.

Sir S. Y. Chung Is a Qualified Person

The sources revealed that the candidates for the position of Hong Kong's future chief executive, which have been recommended by people from various circles in Hong Kong on some unofficial occasions, are as follows: Sir S. Y. Chung, Li Fuk-shin, Yeung Tit-leung, Chan Cho-tsak,

Leung Chan-ying, Lo Hong-sui, Fan Hsu Lai-tai, Ng Kuang-ching, and Kao Kun. Authoritative sources from the central authorities have pointed out that the well-known Hong Kong personalities may differ in ideology. This does not matter. The most important thing is that they should be patriots and should be able to work for Hong Kong's prosperity and the interests of the 6 million Hong Kong people.

Wan Li said: When selecting the chief executive, it is necessary to give more consideration to those who are in their prime of life. The first chief executive, however, can be a bit older. Take Sir S. Y. Chung for example, although he is a bit older, he has a stronger sense of principle. Moreover, he is in Hong Kong and does not practice false politics. He has been well-educated and has the professional knowledge and ability to carry out management in a capitalist society. He is a qualified person. That is why many people have recommended him.

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